Old Kent Road Business Engagement Programme

Frequently Asked Questions

Old Kent Road Business Network

Frequently Asked Questions

What does the council know about the existing businesses in the Old Kent Road area?

In 2015 we surveyed over 800 businesses in the Old Kent Road opportunity area and we know the area accommodates a wide range of businesses servicing the London economy and beyond. The Old Kent Road Employment Study identifies the business sectors present along with existing land and building typologies. Interviews with 100 businesses demonstrate the diverse industries and businesses in the area, the number of employees, job sectors and customer base.

It is recognised that the area currently provides an industrial function and vacancy rates are generally low. However the area is also reflective of the major growth in support services activities which service the central London economy with high proportions of businesses in the service sector, transport and logistics, storage, retail and wholesale. Around 9% of businesses fall within the manufacturing sector and around 11% are utilities or car repair. Around 75% of businesses are independent businesses occupying single sites and these businesses account for 40% of the jobs in the Old Kent Road area. Our Employment Land Review and Employment Land Strategy for the Old Kent Road provide further analysis.

What is the Old Kent Road Business Network and how can I take part?

The Old Kent Road Business Network is being established to help us engage with businesses as we continue to develop planning policies for the Old Kent Road opportunity area. We will use the network to ensure that businesses have up-to-date information about the Old Kent Road opportunity area. Feedback from the Network will be used to better understand the requirements and aspirations of existing businesses in the area and inform the types of new business space that are built in the area. In the longer term it will be used to help create a database of businesses that would be interested in occupying new space in existing or new developments.

Take part via our consultation hub here.

What has been the feedback from businesses so far?

We have consulted with businesses through the Old Kent Road Community Forum (with specialist themes on businesses and jobs), business consultation workshops, a specialist culture workshop and face to face interviews or telephone interviews. We have reported in detail some of the feedback here. From the feedback we understand that businesses feel the area operates well as an

industrial location close to central London, however rents are increasing and traffic and parking issues can be challenging. We understand that better retail and leisure facilities, better public realm and better transport links in the area would help attract more customers and employees. Many businesses felt that it would be a challenge to operate in a mixed use environment particularly with complex servicing needs, or noisy/dusty activities. However, most businesses are keen to seek opportunities to retain a presence within the borough. Some businesses are looking into creating a shop front model in the area to retain business presence in the area whilst the industrial/storage functions may take place elsewhere. We received over 1,000 responses to the consultation on the draft AAP in 2016 and we have listened to the concerns of businesses which has informed a further draft of the plan.

What are the aims of the Old Kent Road AAP for businesses and jobs?

The Area Action Plan (AAP) promotes a change from large scale industrial uses and warehouses to mixed use development combining residential and employment uses. The further draft promotes doubling the number of jobs in the opportunity area (generating 10,000 additional jobs). This will help meet growing demand for offices and managed workspaces, as well as for light industry, artists' studios and low cost space. Employment and training opportunities will be targeted towards local people and jobs will be generated in a range of sectors including construction (see the Southwark Construction Skills Centre) education, retail and leisure.

The further draft AAP includes much more detail on how sites in the opportunity area will be delivered. This includes masterplanning of the layout of new streets and buildings as well as typologies for mixed use development. The typologies indicate the specifications and design to deliver meaningful business space in mixed use developments, including guidance on unit sizes, features and access. The plan includes a strategy for accommodating a wide range of employment uses 'from laptops to forklifts'. There will be higher density employment space such as offices and co-working space towards the Old Kent Road and proposed new tube stations. Further away from the Old Kent Road and town centre, there will be spaces for light industry, flexible makerspaces, distribution warehouses and depots. Some sites will be suitable for industries servicing central London, including light industrial and flexible workspaces. distribution and trade counters, artists' studios and business start-ups. Please refer to draft Policy AAP 6 in the draft Old Kent Road AAP for more details.

The AAP offers the scope for significant improvements in the facilities and services available for businesses, employees and customers across the opportunity area.

What are the options for my business?

The options available for each business will vary depending on the circumstances of the business. Our vision is to grow the economy around the Old Kent Road, increasing the number of jobs. We are keen to work with all businesses in the area and ensure that our regeneration plans can help as many businesses as possible choose Southwark as a location for their business and to grow. Depending on the needs of businesses, we would encourage the retention of existing businesses and provision of affordable business space within new developments and in some instances have used Section 106 planning obligations to secure this. We are also working with neighbouring boroughs to identify the wider supply of available sites, should businesses need to move.

We would encourage all businesses to engage with us via our Business Network to ensure we are aware of your future business requirements. We have already held many face to face meetings with businesses in the Old Kent Road area. We are happy to meet with businesses to discuss the AAP and what it could mean for your particular business. Please contact planningpolicy@southwark.gov.uk

What guidance is available for the redevelopment of mixed use neighbourhoods?

The AAP sets out detailed policies for providing new housing, business space, public spaces, street networks, transport, culture and parks, including guidance on building heights, density and street layouts. Specific site allocations in the AAP also outline the expectations of mixed use neighbourhoods in particular areas. The subareas in the AAP identify design requirements for mixing uses which is based on our evidence of the requirements of new business space. It also offers guidance on access and servicing and a checklist for new workspace requirements.

The AAP aims to ensure meaningful employment space is provided in mixed use schemes which acknowledges the benefits of clustering businesses together to retain and promote a strong business community in the area. Proposals for mixed use development will need to demonstrate innovative design solutions for the provision of new business space including adequate servicing and not all sites will follow the same model. The key message is that the type of employment space that will be successful will be different for different areas, and there will not be a one-size-fits-all approach across the opportunity area.

Crucially, providing office type space directly below residential developments without acknowledgement of the needs of future occupiers will not be sufficient. There is high demand for open, flexible or hybrid workspaces (see definition below) across the opportunity area to accommodate light industrial uses with appropriate access and servicing areas. New development schemes will be expected to contribute positively to the creation of meaningful space for businesses and strengthen the identity of the area through varying design typologies.

What are hybrid workspaces?

Hybrid space combines aspects of light industrial and office space for businesses looking to undertake some productive or 'making' activities whilst also retaining a subsidiary office function. This type of space is growing in London and particularly supports the growth of small businesses, offering flexible space often in a shared environment.

What is a workspace provider?

A workspace provider is a specialist public, private or notfor-profit organisation which provides and manages offices or flexible workspaces for entrepreneurs, small businesses, artists and sole traders. The space provided will often promote co-working, including shared facilities and offer low cost and flexible lease terms or pay-as-yougo hot desking. The Old Kent Road AAP recognises the role of workspace providers as a vital tool to deliver affordable workspace in the borough to support existing businesses and start-ups. Workspace providers may also offer business support and flexible terms to suit a wide range of business needs.

Southwark Council has created a <u>list of workspace providers</u> interested in operating in the borough following a detailed application and screening process. This list will be continuously updated and may increase exposure to business opportunities.

How can businesses operate in mixed use neighbourhoods?

The design guidance in the AAP specifies how mixed use development can be successfully achieved using different design typologies. Some of the key considerations are the consolidation of servicing and deliveries, mitigating nuisance through sound insulation and the creation of public facing services on the street level. There are opportunities for businesses to explore different operating models such as splitting functions - for example, retaining an office or showroom function near to their customer base whilst operating storage and industrial functions outside of central London.

How will development in the Old Kent Road opportunity area be delivered?

Sites in the Old Kent Road area that provide the opportunity for redevelopment are known as site allocations in the AAP. These areas will offer significant regeneration benefits by providing new homes and jobs as well as community infrastructure and public realm or green spaces. Many of the site allocations in the Old Kent

Road area feature a number of different landowners as well as leaseholders.

Unlike some of the other regeneration areas in Southwark, the council does not own much land in the opportunity area. Generally, the draft AAP relies on landowners bringing forward land for development over a period of 20 years of more. In some areas individual landowners will come forward with development schemes, in other areas we will be encouraging collaboration between landowners and developers to achieve the strategic aspirations of the AAP. Developers should submit a business strategy explaining the kinds of employment space they will provide in new schemes and the type of occupiers it will suit, whether it can accommodate existing businesses on the site or in the Old Kent Road area, or how relocation options have been considered.

When will the draft AAP be implemented?

The draft AAP is a long term plan for the regeneration of the Old Kent Road that will take place over 20 years or more. Land ownership in the opportunity area is very fragmented and the council itself owns very little land. Generally, the AAP relies on individual landowners bringing forward sites for development. This means that it is likely that the draft AAP will be implemented incrementally and over a long period.

What is a Compulsory Purchase Order (CPO) and when would the council use it?

A Compulsory Purchase Order (CPO) is the exercise of the power that enables public bodies, including the council, to acquire land, or rights over land compulsorily in return for compensation. It can be an important tool to help assemble land needed to help deliver social, environmental and economic change. Obtaining CPO powers is a lengthy and expensive process and in exercising its CPO powers, the council must have regard to government guidance which states that a CPO should only be made where there is a compelling case in the public interest.

In much of the Old Kent Road opportunity area, land ownership is very fragmented. Generally, the draft AAP relies on individual landowners bringing forward sites for development. While the council cannot rule out making CPOs it is preferable for adjoining landowners to collaborate to achieve comprehensive development.

What about the cultural sector?

We recognise there are a number of artists' studios and creative industries which make up a crucial part of the economy and cultural sector in the Old Kent Road area. We encourage the retention and growth of this sector within development opportunities to enhance and promote the vibrant cultural and arts sector within the area. We are keen to work with businesses to promote a strategy for a Creative Old Kent Road.

Businesses in the arts and cultural sector can <u>register</u> their details to request information about long term spaces available in Southwark.

Are there any areas which will remain in industrial use only?

We have identified the South East Bermondsey area, Admiral Hyson Industrial Estate and the Integrated Waste Management Facility/electricity substation as Strategic Protected Industrial Land continuing its industrial function. We are also exploring the potential for the intensification of business uses, including in the new and refurbished railway arches. We will be exploring other opportunities for the relocation of industrial uses that are not compatible with housing within south London, including through joint work with Lewisham Council and other London boroughs.

What happens next?

We continue to invite businesses to take part in our online Business Network questionnaire. We will continue to meet with businesses on an individual basis to discuss their future aspirations and how the council could help support existing businesses in the context of the AAP.