8. AREAS OF MISMATCH IN SUPPLY AND DEMAND

8.1 Overall Comparison of Floorspace Supply and Demand

The overall profile of supply set against projected demand is set out in Table 8.1.

Table 8.1

Overall Comparison of Projected Annual Floorspace Supply and Demand in Hackney

Sqft

Use	B1a Offices	B1b Studio	B1c Light Industrial	B2 General Industrial*	B8 Warehousing and Storage	Total
Estimated Annual Supply						
1-500 sqft	11056	4503	399	0	4190	**20148**
501 - 1000 sqft	20707	14453	7202	0	0	**42362**
1001 - 2000 sqft	151484	70470	68140	0	0	**290094**
2001 - 3000 sqft	73747	42459	47293	0	0	**163500**
3001 - 4000 sqft	101500	16596	43782	0	0	**161878**
4001 - 5000 sqft	65723	24565	52844	0	0	**143132**
5001-10,000 sqft	140690	33793	82880	0	0	**257363**
10-15,000 sqft	29835	32022	79656	0	0	**141513**
TOTAL	***594743***	***238861***	***382197***	***0***	***4190***	**1219990**
Projected Demand						
1-500 sqft	85693	67923	17669	110	7587	***178982***
501 - 1000 sqft	134978	108567	27784	164	11445	***282938***
1001 - 2000 sqft	80346	43859	17159	226	13453	***155043***
2001 - 3000 sqft	40636	8816	9077	197	11078	***69805***
3001 - 4000 sqft	28445	6171	6354	138	7755	***48863***
4001 - 5000 sqft	21944	4761	4902	106	5982	***37695***
5001-10,000 sqft	60954	13224	13616	296	16618	***104707***
10-15,000 sqft	121909	26448	27232	591	33235	***209415***
TOTAL	***574906***	***279769***	***123792***	***1829***	***107153***	**1087449**
Excess/Shortfall						
1-500 sqft	-74637	-63420	-17270	-110	-3397	**-158834**
501 - 1000 sqft	-114271	-94114	-20582	-164	-11445	**-240576**
1001 - 2000 sqft	71138	26611	50981	-226	-13453	**135051**
2001 - 3000 sqft	33111	33643	38216	-197	-11078	**93695**
3001 - 4000 sqft	73055	10425	37428	-138	-7755	**113015**
4001 - 5000 sqft	43780	19804	47942	-106	-5982	**105437**
5001-10,000 sqft	79736	20569	69264	-296	-16618	**152656**
10-15,000 sqft	-92074	5575	52425	-591	-33235	**-67902**
TOTAL	***19837***	***-40907***	***258405***	***-1829***	***-102964***	**132542**

* Agents do not tend to separate out B1 light industries and B2 uses when marketing purposes, the same being largely true for B8 uses too.

In broad terms, this Table 8.1 indicates an annual supply of 1,200,000 sq ft (111,514 sq m) of available space, set against a demand of 1,087,000 sq ft (101,013 sq m) with an overall excess supply of 132,540 sq ft (12,317 sq m). Within this broad picture of over supply, there are some major areas of mismatch.

Table 8.2 sets out an analysis of supply and demand and by use, size and quality of floorspace.

Using some very broad assumptions as to the quality of space demanded by businesses of different sizes, a comparison can be made between the demand and available supply. The assumptions affecting the proportion of business users in each B class who would require new, good quality or lower cost second hand space is set out in Table 8.2 under the heading: “Assumed Demand by Quality”. This is based on the broad assumption that the larger the business, the more likely they are to demand new or high quality second hand space, particularly with offices and studios given that such businesses will be better established and more concerned about image in comparison with smaller firms. Future versions of the model could benefit from further research in this area.

Based on these assumptions, Table 8.2 indicates that the mismatches of supply over demand by quality of space are particularly apparent amongst office users, who would, under the assumptions made, demand new office space and amongst large users of studio space. There would also be relatively minor shortages of high quality space amongst industrial users.

Table 8.2

Overall Comparison of Floorspace Supply and Demand in Hackney by Use, Size and Quality of Floorspace Sqft

	Use																
	B1a				B1b			B1c				B2					
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Annual Supply																
1-500 sqft	0	10230	826	11056	1736	2768	4503	0	399	0	399	0	0	0	4190	**20148**
501 - 1000 sqft	0	13112	7594	20707	10055	4398	14453	0	4913	2289	7202	0	0	0	0	**42362**
1001 - 2000 sqft	0	107930	43555	151484	40078	30392	70470	0	31106	37034	68140	0	0	0	0	**290094**
2001 - 3000 sqft	0	46702	27046	73747	18269	24190	42459	0	23697	23597	47293	0	0	0	0	**163500**
3001 - 4000 sqft	0	68665	32835	101500	2600	13996	16596	4820	13938	25024	43782	0	0	0	0	**161878**
4001 - 5000 sqft	12398	41738	11587	65723	0	24565	24565	0	35385	17459	52844	0	0	0	0	**143132**
5001-10,000 sqft	0	77790	62900	140690	0	33793	33793	17334	0	65546	82880	0	0	0	0	**257363**
10-15,000 sqft	0	16315	13519	29835	17596	14427	32022	0	18987	60669	79656	0	0	0	0	**141513**
TOTAL	12398	382483	199862	**594743**	90334	148528	**238861**	22154	128425	231618	**382197**	0	0	**0**	**4190**	**1219990**
Projected Demand by Quality																
1-500 sqft	4285	68554	12854	85693	13585	54339	67923	883	9718	7068	17669	6	105	110	7587	**178982**
501 - 1000 sqft	6749	107982	20247	134978	21713	86854	108567	1389	15281	11114	27784	8	155	164	11445	**282938**
1001 - 2000 sqft	8035	64277	8035	80346	8772	35087	43859	2574	9437	5148	17159	34	192	226	13453	**155043**
2001 - 3000 sqft	4064	32509	4064	40636	1763	7053	8816	1362	4992	2723	9077	30	168	197	11078	**69805**
3001 - 4000 sqft	5689	21334	1422	28445	1543	4628	6171	1271	3812	1271	6354	28	110	138	7755	**48863**
4001 - 5000 sqft	6583	15360	0	21944	1428	3332	4761	1471	2941	490	4902	32	75	106	5982	**37695**
5001-10,000 sqft	18286	42668	0	60954	3967	9257	13224	4085	8169	1362	13616	89	207	296	16618	**104707**
10-15,000 sqft	48764	73145	0	121909	10579	15869	26448	10893	13616	2723	27232	237	355	591	33235	**209415**
TOTAL	102454	425831	46621	**574906**	63350	216418	**279769**	23927	67968	31898	**123792**	462	1367	**1829**	**107153**	**1087449**

Table 8.2

Overall Comparison of Floorspace Supply and Demand in Hackney by Use, Size and Quality of Floorspace Sqft

	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Excess/Shortfall																
1-500 sqft	-4285	-58324	-12028	***-74637***	-11849	-51571	***-63420***	-883	-9319	-7068	***-17270***	-6	-105	***-110***	-3397	**-158834**
501 - 1000 sqft	-6749	-94870	-12652	***-114271***	-11659	-82455	***-94114***	-1389	-10368	-8825	***-20582***	-8	-155	***-164***	-11445	**-240576**
1001 - 2000 sqft	-8035	43653	35520	***71138***	31306	-4695	***26611***	-2574	21669	31886	***50981***	-34	-192	***-226***	-13453	**135051**
2001 - 3000 sqft	-4064	14193	22982	***33111***	16506	17137	***33643***	-1362	18704	20874	***38216***	-30	-168	***-197***	-11078	**93695**
3001 - 4000 sqft	-5689	47331	31413	***73055***	1057	9367	***10425***	3549	10126	23753	***37428***	-28	-110	***-138***	-7755	**113015**
4001 - 5000 sqft	5815	26378	11587	***43780***	-1428	21233	***19804***	-1471	32444	16969	***47942***	-32	-75	***-106***	-5982	**105437**
5001-10,000 sqft	-18286	35122	62900	***79736***	-3967	24536	***20569***	13249	-8169	64185	***69264***	-89	-207	***-296***	-16618	**152656**
10-15,000 sqft	-48764	-56830	13519	***-92074***	7017	-1442	***5575***	-10893	5371	57946	***52425***	-237	-355	***-591***	-33235	**-67902**
TOTAL	-90056	-43348	153241	***19837***	26983	-67891	***-40907***	-1773	60457	199720	***258405***	-462	-1367	***-1829***	***-102964***	**132542**

8.2 Analysis of the Strategic Model: Matches and Mismatches by Size and Availability of Unit

8.2.1 Overall Picture

The overall picture thrown up by the strategic model is that there is an apparent market failure in unit sizes under 1,000 sq ft (93 sq m) for offices and light industrial, with a requirement to increase the supply of good quality offices in all size ranges. There is also potential to address the under-supply of small units by sub-dividing larger units currently subject to over-supply.

8.2.2 Offices

There is excess supply overall, of just under 20,000 sq ft (1,859 sq m), particularly in all size bands between 1,000 and 10,000 sq ft (93 and 929 sq m). However, when looked at in terms of quality of space, there is a shortage of new offices across most size ranges. In the high quality, second-hand category, there is a shortfall in the supply of space under 1,000 sq ft or 93 sq m (and for units of 10-15,000 sq ft (929 - 1,394 sq m).

There is a notable oversupply of space in the high and low quality second hand size ranges above 1,000 sq ft (93 sq m).

8.2.3 Studios

There is a significant shortfall in units of under 1,000 sq ft (93 sq m). This use category appears to be well catered for across all other size bands.

8.2.4 Light Industrial

There is a similar pattern here to offices with an under-supply of light industrial units of under 1,000 sq ft (93 sq m) and for all grades of property, a shortage of new property generally, but oversupply in low grade second-hand property over 1,000 sq ft (93 sq m).

8.2.5 General Industrial

This category of property is subject to a small level of under-supply across all size ranges, for both new and second-hand.

It should be noted that most industrial space is not described separately as light industrial or general industrial, when being marketed by commercial agents.

8.2.6 Warehousing

The same is true of warehousing, where some 100,000 sq ft (9,293 sq m) is in demand, but very little is marketed as purely warehouse space.

8.3 Area Based Analysis

The strategic model has been developed to assess floorspace demand and supply across particular sub-areas of the borough. A summary of estimated supply, demand and excess or shortfall of floorspace by use, size and quality for each area is set out in Appendix 5.

From this, it can be seen that the excess/shortfall profile for the whole borough is influenced by South Shoreditch but with significant shortfalls of offices studios and high quality light industrial reflected across most other sub-areas. The table below broadly summarises the salient findings for each of the sub-areas.

	Offices	Studio	Light Industrial	General Industrial	Warehousing and Storage
South Shoreditch	Overall over-supply, but within this: Major shortfall in units below 1000 sqft and from 10-15,000 sqft of around 30,000 sqft. Shortfall in the supply of all sizes of new offices. Oversupply of second hand space from 1000 – 10,000 sq ft. .	Major under - below 1,000 sqft. - Excess supply between 1000 and 5000 sqft	Shortfall in the supply of all sizes of new light industrial space. Shortfall in units below 1000 sqft and above 5,000 sqft	Small shortfall across all size ranges	Shortfall across all size ranges
Kingsland Basin/Kingsland Road	Overall shortfall, made up of shortfalls in all size ranges excluding 4-5000 sqft size range	Shortfall across most size ranges under 5,000 sqft. Excess supply over 5,000 sqft	Shortfall across most size ranges under 5,000 sqft. Small oversupply between 5-10,000 sqft. Shortages of over 10,000 sqft	Small shortfall across all size ranges	Shortfall across most size ranges
Dalston	Shortfall across all size ranges	Shortfall across most size ranges below 5000 sqft. Excess supply over 5000 sqft	Shortfall across all size ranges under 4000 sqft and from 10-15,000 sqft. Oversupply in intermediate ranges	Small shortfall across all size ranges	Shortfall across all size ranges
Hackney Central	Shortfall across most size ranges below 5000 sqft. Well supplied over 5000 sqft	Shortfall across most size ranges	Well supplied from 500-2000 sqft and above 5,000 sqft. Shortages From 2-5,000 sqft	Small shortfall across all size ranges	Shortfall across most size ranges
Hackney Wick	Overall shortfall made up of shortfall across all size ranges	Supply and demand limited but well matched	Shortfall across all size ranges for new and high quality second hand space. Oversupply of older low cost space above 1,000 sqft.	Small shortfall across all size ranges	Shortfall across all size ranges
Other Main Employment Areas	Overall shortfall made up of shortfall across all size ranges	Small net surplus but with shortfalls below 5,000 sqft and excess supply from 5-10,000 sqft	Excess supply of 18,000 sqft above 10,000 sqft with small shortfalls in size ranges up to this level.	Small shortfall across all size ranges	Shortfall across all size ranges
Rest of Hackney	Shortfall across all size ranges below 3000 sqft and above 10,000 sqft.	Small shortfalls across most size ranges	Excess supply between 1-4000 sqft. Small shortfalls in other size ranges.	Supply and demand in balance	Shortfall across all size ranges

9. FACTORS AFFECTING FUTURE WORKSPACE PROVISION

9.1 Sources of Workspace Demand

The above findings suggest a number of key factors to be considered in future small business workspace provision.

- The growth in micro and small business services activities is likely to continue for some time. Much of this demand will arise from business services and higher value design and media activities. The area of the borough where this will be concentrated will be Shoreditch, suggesting that the provision of office and studio space suitable for these purposes in the area will need to be intensified. Within this area, there is scope for the provision of considerable amounts of high quality second hand office and studio space of less than 1,000 sq ft (93 sq m) through refurbishment of up to 350,000 sq ft (32,525 sq m) per annum.

- Other creative sector and to a lesser extent business services activities will, however, be interested in locations elsewhere in the borough. There is scope to encourage more of such activities in such areas as Dalston and Hackney Central. Though this demand will not require locations elsewhere in the borough in any great quantity, what is apparent, is that where reasonably priced managed workspace has been provided in such locations as Dalston, Hackney Central and even Hackney Wick (e.g. as per the Cell Project Space developments), this space is being taken up. This demand evidence, coupled with the forthcoming improvements to public transport serving Dalston in particular and the relative shortage of small business workspace there, suggests there is merit in encouraging more development of this kind.

- The growth in “other services” (which includes activities of membership organisations not elsewhere classified, recreational, cultural and sporting activities and other service activities) could partially create demand for space in other parts of the borough where the needs to service the local population are higher e.g. Hackney Central and Dalston and other predominantly residential areas.

- There will be increasing demand for space for small-scale distribution activities. This is likely to be focused on such areas as Shoreditch, but cost constraints and limited availability of land and premises will restrict take up. Areas such as Hackney Central and Hackney Wick will therefore be of particular importance in this regard. For transport and storage operations, the same is likely to be true, though demand for office space is most likely to be focused on Shoreditch.

- There is a need to provide space for the small, more successful manufacturers to start-up, expand or consolidate their operations. Key areas on which this should focus would be Hackney Central and Hackney Wick. There is, however, likely to be a large supply of second hand space due to larger manufacturers leaving the borough which could be adapted to meet this demand.

A further factor that should be considered is that of the businesses that are considering relocation over the next 5 years, (34% of all businesses), 76% (i.e. 25% of all businesses) are expecting to leave Hackney. If interventions to successfully redress the shortage of affordable workspace were to be made, part of this outward movement could be captured and retained, further increasing the demand for workspace.

9.2 Evidence of Market Failure

There is clear evidence of market failure in the supply of small business workspace in Hackney. This evidence is made up of a complex inter-relationship of factors.

vi) Projections thrown up by the strategic model indicate a shortfall in the availability of good quality units below 1000 sq ft (93 sq m) for offices, studios and light industrial across all sub-areas of the borough.

vii) The fact that most purpose built small business workspace schemes are over-subscribed, (where they are in appropriate locations such as South Shoreditch and Dalston town centre) substantiates the demand side of these projections.

viii) New offices and light industrial space are in short supply across the borough.

ix) Whilst a number of B1 developments have taken place, many as part of mixed use schemes, levels of vacancy remain high for five principal reasons.

a) Current price levels are relatively high and above the level many prospective occupiers can afford.

b) The floorspace areas provided are unlettable because they are too large. In such cases, developers have built out the B1 provision to satisfy the policy requirements but have not sub-divided the units into smaller sizes, which match demand.

c) Some such developments are in predominantly residential areas, some distance away from mainstream commercial centres well-served by public transport and shops in safe, high quality environments.

d) Often the quality of space provided in new build does not match the demand (i.e. poor quality shell and core)

e) Developers are not proactively marketing the workspace element of mixed use schemes

x) Notwithstanding the under supply of new and small units across the borough, there is considerable over-supply of intermediate sized units (i.e. from 1000-10,000 sq ft (93 – 929 sq m) in South Shoreditch, the area of the borough where demand is greatest. Much of this over-supply has scope for adaptation to smaller units and for longer term provision of move-on space, but this is likely to require intervention if properties of the appropriate small unit size are to be provided. The over-supply should also be preserved as this feeds major demand for inward investment into the area from media, design and business services companies.

The overall picture is of a property market which is out of balance, with strong demand for small units at the right price remaining unfulfilled, whilst there is an oversupply of space which is not let due to it being of the wrong size or location or offered at too high a price. Taken together there could appear to be a clear case for intervention in order to address this market failure.

10. OPTIONS FOR ADDRESSING DEFICIENCIES IN SMALL BUSINESS WORKSPACE

10.1 Intervention Options

10.1.1 *Do Nothing*

There are a number of implications of not addressing market failure. If the do nothing option is pursued then we would envisage that B1 schemes will continue to be built as part of mixed use developments by both RSLs and the private sector. Whilst this may well be of an appropriate size and reasonably well located, affordability will continue to mean that much of the space coming on to the market will remain unoccupied unless rental levels fall to a point where they become affordable. Small and micro businesses seeking to move may well decide to leave Hackney.

10.1.2 Encourage Developers to Accept Lower Returns in Order to Minimise Risk

This option is unlikely to succeed because developers are not inclined to tie up expensive assets if there is the prospect for holding out for higher value uses or supplementary development gains in the longer term.

10.1.3 Proactive Intervention

Given the market failure identified, there is a clear need for intervention to address the mismatch between demand and supply.

- Inward investment demand from business services, design and media businesses seeking suitable premises in South Shoreditch is not being met. The Atkins Business Survey found that 34% of businesses are considering relocating from their current premises in the next 5 years, and of these, 76% were considering leaving the borough. Hackney is therefore prone to losing 25% of its businesses over a five-year period. The main reasons are due to shortage of space to expand and the high costs of space. Intervention could help retain a large proportion of these businesses.

- There are a number of key growth sectors, such as business services and the creative sector businesses whose demand for small workspace cannot be met affordably. Intervention could address this need and help consolidate Hackney's latent strengths in these sectors.

- Intervention could address over-supply which is a wasted resource in the face of the strength of demand for small business workspace.

- There is an opportunity to locate many types of businesses which are cost-sensitive into sub-areas of the borough other than South Shoreditch. Intervention could lead to the right types of space being provided at suitable cost in the right environments within these sub areas.

Such intervention needs to be based on a series of focused approaches.

10.2 Sector Based Approaches

10.2.1 Growth Sectors

Consideration should be given towards a sector based approach to providing solutions. A sector based approach would be appropriate because it enables a very specific part of the market to be targeted and for its needs to be clearly understood and solutions developed.

The City Fringe Partnership has been developing a City Growth Strategy to promote the development of a number of key sectors including printing, fashion and furniture and product design. Strategies for promoting the growth of these sectors are at an advanced stage of development, the aim being to procure appropriate levels of public sector funding together with joint public and private sector leadership to take forward a series of initiatives tailored to each sector to boost their growth and development in the City Fringe.

For each of these sectors a sector investment plan has been developed and in each case there are proposals for the development of workspace and/or specialist support and resource centres to be set up within the City Fringe. In each case, the sector investment plan includes proposals for the provision of affordable workspace. Within the fashion sector for example, a requirement for some 30,000 sq ft (2,788 sq m) of affordable workspace has been identified for fashion designers and related businesses, whilst a parallel need has been identified to support the accommodation needs of clothing manufacturers. For these growth sectors there is also a need to accommodate specialist support and resource centres in buildings in good quality locations well served by public transport. City Fringe Partnership propose to go on to develop sector investment plans for hospitality and catering, cultural and tourism, financial and business services and potentially audio visual and digital media.

For a number of reasons, Hackney is in a particularly strong position to grasp these opportunities as a catalyst for taking forward affordable workspace developments.

- Hackney can offer a number of opportunities for relatively low cost workspace provision, in such locations as Dalston and Hackney Central as well as in Shoreditch.

- The growth sectors being prioritised for support by the City Fringe Partnership such as fashion design and clothing, printing, fashion and furniture and product design, are already prominent in Hackney, as are the hospitality, business services and digital media sectors envisaged as the second phase to this programme.

- The presence of disadvantaged communities in Hackney, particularly those with high concentrations of those from BME backgrounds, makes the area a prime target for City Growth Strategy funding.

The Borough Council is in a strong position to set up the means to deliver solutions to an issue which currently constrains the growth of these sectors, at the same time strengthening Hackney's local economy.

10.2.2 Manufacturing

There will be a need to coordinate property solutions to address the relocation requirements of manufacturing firms if these are to be retained within the Borough. The strategic model has identified the prospects of a large outflow of manufacturing activity, particularly amongst larger businesses from the borough leaving behind an excess of light and general industrial workspace. Given that there is a core of smaller manufacturing activity which is reasonably successful and which is consolidating, there is scope to acquire former disused industrial sites and convert these into units of suitable size to match the requirements of these businesses. This will, however, require an appropriate level of coordination and intervention. Manufacturers need to be systematically engaged to identify the precise scope of their needs. Once enough demand for alternative space is identified to justify such a solution, sites and buildings appropriate for conversion and sub-division need to be acquired, adapted and let to those manufacturers who require a solution.

10.2.3 Business Services

The demand analysis has identified strong growth in employment amongst business services firms most of which are small businesses. It has also been identified from discussions with local commercial property agents that these firms have a preference for managed workspace. As with the specialist clusters referred to above, there is scope to marshal the demand for such businesses and similarly orchestrate supply either directly or with private sector development partners.

10.2.4 Other Sectors

Elsewhere in Hackney other sector opportunities can be identified.

There will be a range of social and voluntary business activities, including social enterprises whose target clientele is located in the residential heartlands. Many such activities require offices or general workspace (e.g. for training) close to the main residential communities they serve but in easily accessible locations such as the local town centre areas. Enquiries received from Invest in Hackney show that there is a current demand for over 10,000 sq ft (929 sq m) from such sources.

Black Arts organisations need affordable premises since without this many of the black arts and cultural activities cannot grow to their full potential. In addition, a recent study on the need for supporting Carnival related activities identified that Hackney has a concentration of Carnival related activities that are in need of an appropriate operational base. These activities do not necessarily need to be in expensive locations such as Shoreditch but do need to be based close to good public transport links and locations accessible to the public such as local town or district centres.

There will be a need to retain some distribution space in areas such as Shoreditch, sufficient to meet demand for a minimum of 30,000 – 50,000 sq ft (2788 – 4646 sq m) per year. Consideration should also be given to retaining B8 and light industrial space in employment zones close to the Olympics site.

10.3 Marshalling Demand and Orchestrating Supply

There is a requirement to get to understand the accommodation needs of businesses in each of these sectors on a localised basis and identify wholesale solutions. For example, some growth sectors may require the setting up of a specialist support and resource centre in a prominent, prime location, coupled with large amounts of managed workspace provision.

One of the key requirements for such businesses is to have smart facilities in a reasonably prestigious location where client-facing activities can take place. The actual base of the business does not have to be in such a location and can be in less expensive locations, but which are reasonably accessible to such front office activities.

10.4 Working with Deliverers

There is scope to work with specialist agencies taking the lead on sector development activities to identify and verify demand on one hand, then to specify and identify solutions on the other.

Delivery of these solutions can then either be handed over to the sector lead agency or to local development trusts or social enterprise agencies to create, operate and manage workspace within a commercial context. There are a number of delivery vehicles already in place e.g. Shoreditch Our Way – set up under New Deal for Communities; Cockpit Arts – a not for profit workspace provider for creative businesses; Clerkenwell Green Association – who themselves have recently been looking for new workspace; Community Action Network; Shoreditch Trust; and Freeform Arts Trust – a community arts organisation who have now branched into workspace provision. There are a number of London based charitable bodies, such as ACME, ACAVA and Space Studio who specialise in artist studios. City Fringe Partnership is forming a number of private sector led action groups to coordinate sector development initiatives under its City Growth Programme.

There are also a number of commercial workspace providers with expertise in the creation of managed workspace with whom partnerships could be formed on a project by project basis.

10.5 Area Based Strategies

10.5.1 Focus on South Shoreditch

From the evidence generated, it is clear that Hackney has an important, and arguably, enviable opportunity to consolidate a cluster of high valued business services and designer media activities in South Shoreditch. This, we believe, should be the core focus of any workspace development strategy for small businesses in Hackney. Key strands of this aspect of the strategy would be as follows.

The main source of demand is inward investment into the South Shoreditch area from the West End and other parts of London. The aim should be to seek to marshal the existing demand through effective networking between relevant commercial agents and Invest in Hackney and to meet this demand through concerted interventions (comprising sector based approaches, marshalling of demand and then working with deliverers to provide solutions as described above) which match demand with affordable supply.

10.5.2 Matching Supply and Demand in Lower Cost Areas

Despite oversupply in South Shoreditch, we have identified shortfalls in high quality office and light industrial property across most other sub-areas of the borough. Though demand from high value industries is not strong in these areas, there is a range of important business activities, such as the creative industries and a range of social support activities which require office space for which demand could be marshalled and supply orchestrated.

There is a need therefore to develop detailed intelligence on the short to medium term space requirements of such businesses relative to each of these sub-areas, to draw up project proposals to address them, then to identify suitable sites where development can take place, then to coordinate the development of the required types of units. Whilst the strategic model is useful in this respect for forecasting and strategic planning purposes, the detailed needs and intentions of individual businesses need to be identified through business surveys, proactive contact with them to discuss their floorspace needs and the tailoring of solutions, in line with good practice in business retention support.

11. SCOPE OF PROPOSED INTERVENTIONS

11.1 On-Site Interventions

11.1.1 Workspace on Mixed Use Developments

On-site interventions may be required on mixed use development sites subject to planning policy which requires re-provision of workspace on former employment land where there is:

- workspace not being built out;
- workspace built but not occupied;
- workspace which is not suitably configured; or
- workspace which is under-utilised.

Where mixed use developments already exist but have business workspace which is not occupied, a number of interventions could be appropriate.

- Advise the developer on how to reconfigure the space to make it more suitable and appealing to occupiers.
- Linking the developer with a suitable workspace operator and encouraging a partnership arrangement which enables the developer to sub-let the space to the operator, who in turn would undertake lettings and day to day management of the space.
- Possible acquisition of the space by suitable not-for-profit workspace operators on a long lease and adaptation to the needs of a specific grouping of end users where demand has been clearly identified in the same area of the borough.

Prior work marshalling demand and coming forward with specified requirements, based on detailed, localised intelligence gathering as described in Sections 10.3-10.5 above, will be a key factor in persuading developers to adopt these approaches. This could also counter arguments by developers that there is no demand for space, when it is possible to prove this demand.

Where forthcoming residential development on former employment sites is suitably located for small and micro-business space as part of a mixed use development, the provision of suitably sized and configured B1 space should be sought on the basis of an appropriate form of development agreement. This will largely apply to sites in areas such as South Shoreditch, Dalston and Hackney Central where evidence of demand as various levels has so far been identified. This should not necessarily exclude sites elsewhere in the borough if and when demand opportunities become apparent.

The development agreement, should, where appropriate, allow for the option of a designated operator taking over the space to configure, market and operate it in line with market need if the developer cannot prove a track record in marketing and operating workspace successfully. As far as possible on-site provision would ideally be by way of long leases on peppercorn rents to a not for profit workspace provider, approved by the council, who then becomes party to a legal agreement with the developer.

11.1.2 Dedicated Workspace Developments

There is also scope to consider interventions on sites which are to remain in employment use, particularly in such areas as South Shoreditch, where unit sizes are currently too large to cater for mainstream demand.

The provision of smaller unit sizes, particularly under 1,000 sq ft (93 sq m) and especially under 600 sq ft (56 sq m), could be brought about in a number of ways.

- Encouragement and persuasion of developers refurbishing and adapting buildings of this kind to include or increase provision in these size ranges.

- A compulsory requirement to include such provision *to the required standard* as a condition of planning approval. South Shoreditch for example, is already subject to a policy which requires 50% of employment space to be suitable for SME space. This should be enforced in a more specific way, focusing on the needs of micro and small businesses requiring units of under 1,000 sq ft (93 sq m), in line with the guidelines set out in Section 11.1.3 below.

- Direct intervention by acquiring such sites and converting them into small, managed workspace units in association with an appropriate deliver and/or workspace operator.

Other alternatives to workspace only options include:

- taking a master lease on an existing building, sub-dividing then letting out units at a premium

- encouraging specialist private sector providers to provide flexible workspace, where a demand can be proven.

11.1.3 Guidelines for the Design and Configuration of Units

a) Smaller Workspace Only Schemes

The following guidelines are set out to assist planning of possible interventions to provide small business office or studio workspace which is viable and of the right type.

- Location

Such centres are only likely to be viable in urban locations where an emerging small business demand or specialist cluster has become evident. They should be accessible to public transport and provide parking if possible.

- Size

Workspace complexes can be of any size, but will typically range from 5 to 25 units in schemes of between 2,000 and 8,000 sq ft (186 and 743 sq m) of net lettable space. A minimum of 15% should be allowed for circulation.

- Entrances and Image Factors

The centre should be an aesthetically pleasing building, even if new. Particular emphasis should be placed on having a smart entrance, reception (if one is to be included) and passageways. The internal appearance of units is normally up to the user. Individual push button entry phones should be provided where there is no reception.

- Configuration of Units

Unit sizes should ideally be between 200 sq ft (19 sq m) and 600 sq ft (56 sq m), unless move-one space is being considered. Where there is scope for a grid configuration, the base unit should be 600 sq ft (56 sq m), sub-dividable through partitioning to combinations of 200, 300 or 400 sq ft (19, 28 or 37 sq m). Units should be lockable, with natural light but enable full privacy for the user. The requirement for natural light has implications for the width of buildings used and the configuration of internal corridors.

- Move on Units

Move on units should be between 600 sq ft (56 sq m) and 1,500 sq ft (139 sq m). Similar attention needs to be paid to the image factors highlighted above.

- Equipping of Units

It is normal practice to allow tenants to furnish and equip their own units, as the building of shelves and other fixtures may cause more problems than it solves for some users. However, the availability of standard desks, partitioning and space efficient storage units which can be rented or sold as per demand can be of great help to businesses which are newly established.

Individual units need a copious choice of plug sockets and telephone access points. Ceiling lighting is the most flexible as wall mounted lighting may restrict shelving or other uses of the walls.

- Wiring and Technology

Perimeter wiring is standard practice. Raised floors are an option if long term flexibility in the use of the floorspace is required but tend to be expensive to provide. The type of wiring provided is not as important as the configuration of ducting which should enable wiring to be replaced and upgraded in the future.

In the case of media or other clusters, it is not worth seeking to provide specialist equipment until or unless a strong demand can be proven from a grouping of businesses in the same sector.

- Supporting Amenities

Developments need to provide toilets and small kitchens (comprising a sink and cupboards with electric points only) according to the total floorspace being let. Meeting rooms and café areas are options, but do not generate income and are rarely viable on scheme of under 15-20,000 sq ft (1394 – 1859 sq m).

- Shared Services

Reception, switchboard, copying and printing services are not generally viable on schemes of this scale because they are highly labour intensive. Security needs to be designed into such schemes for the same reason e.g. through entry phone systems.

- Management and Administration

Again, dedicated on site management and administration is not viable on small schemes. For this reason, smaller workspace only schemes need to be run as part of a larger portfolio of properties owned and operated by the same organisation to achieve the economic of scale to make these viable. A scheme comprising a reception and switchboard service supported by 1 FTE administrative staff would normally require a minimum of 10,000 sq ft (929 sq m) to break even.

b) Workspace and Resource and Support Centres

Larger workspace schemes can provide a focal point for emerging clusters, provision shared facilities and business support and affordable use of expensive facilities where justified, in the form of integrated workspace and resource and support centres.

A large workspace scheme, beyond given threshold, can generate enough surplus funds which can pay for high quality meeting space, a professional reception and message taking service and possibly a café area. In not-for-profit schemes, an on-site centre manager can also be funded to provide business advice and support in addition to centre administration. These types of scheme are an ideal means of anchoring an emerging cluster within an area if funding can be found.

Under this model, a typical configuration would be:

Total lettable floorspace	18-20,000 sq ft 1,673-1,859 sq m
Support centre, comprising:	
- reception and switchboard area	
- presentation suite, with high quality visual aids and projection	
- 1-2 meeting rooms	
- coffee room	
- hot desk area for visiting business support practitioners	
- centre management office	1,500 sq ft 139 sq m
Kitchens	300 sq ft 28 sq m
Toilets	700 sq ft 65 sq m
Circulation space at around 15%	3,500 sq ft 325 sq m
Total	24-26,000 sq ft 2,230-2,416 sq m

All other criteria relating to the configuration of units, as described above, would apply. The key difference here is having a workspace centre of sufficient scale to provide the full range of services, particularly switchboard services that small businesses need.

11.2 Off-Site Interventions

The Council has laid out a series of planning policies which seek to maintain and develop the competitiveness and diversity of local economic activities whilst addressing the pressures for residential development on former employment land. Key elements of these policies include requirements for inclusion of B1 users in mixed use schemes, qualified restrictions on residential development and a requirement for 50% of new employment floorspace to be suitable for SME space in such locations as the Edge of City sub-district and the Shoreditch Triangle.

These policies have been reviewed in Section 5 above. The draft Planning Contributions SPD sets out a policy to promote appropriate small business workspace provision to the required standards primarily through on-site measures, but that monetary contributions with respect to the loss of employment floorspace would be required in more exceptional circumstances.

The amount to be contributed will need to be negotiated on a case by case basis. However, a common sense guideline as to how the contributions are set, would be to based these on the costs of a providing similar amount of floorspace, based on the equivalent cost of acquiring the land, plus the costs of basic construction, excluding fit, out of the same amount of floorspace in a similar location.

If replacement floorspace is then to be built in an area where employment land is more expensive, or would involve a larger amount of sub-division, this would mean that less replacement workspace could be provided due to higher costs. It would nevertheless provide a fair basis for setting such contributions.

These contributions would be channelled into the higher order employment areas, such as Area Action plan areas where there is the greatest scope for employment generation and thereby workspace demand, either to build new workspace or to refurbish existing premises for small businesses requiring premises of a size and configuration suitable to these needs. This envisages the use of such contributions in different areas from where residential development on former employment land is taking place.

The strategic model has indicated that most of the required small business workspace will be in areas which are not predominantly residential. The evidence from the strategic model indicates that there is scope for intervention of this kind in such areas as:

- South Shoreditch, as the priority focus
- Dalston
- Hackney Central
- Kingsland Basin/Kingsland Road
- Hackney Wick

These contributions are likely to have the greatest effect on small business creation, employment growth and development if applied to these areas.

There is scope to release employment land for residential development throughout the rest of Hackney, other than the remaining employment areas which are in small pockets; given that very limited business demand can be identified in these residential heartlands. This level of demand will be tested by requiring robust marketing evidence for such sites.

In order to apply contributions where they are needed, there will be a need for focused coordination to ensure that they are deployed to their best effect.

For this, there is a requirement for a coordinator to work closely with individual local businesses, local business networks, those promoting sector development initiatives, Invest in Hackney, business advice and support agencies and local commercial agents to maintain a dynamic base of market intelligence so as to be able to marshal demand for affordable workspace and link these to available supply.

Supply would then need to be orchestrated by identifying appropriate buildings or groups of buildings in suitable locations that can be acquired and adapted for the purposes of small workspace provision. Having clearly understood the requirements of businesses making up this local profile of demand, a specification of the required types of workspace by location, size, quality and cost can be drawn up. This specification would then be used to select an appropriate site and work up a suitable development project.

A range of alternative options can then be considered for the use of pooled contributions.

The first of these might be to set up an appropriate mechanism for generating the required market intelligence from businesses, specifying solutions according to identified needs and then working towards their delivery with appropriate partners, as described above.

Other interventions could embrace a variety of measures, of which the main ones are considered below.

- Construct new employment premises
- Promoting the growth of key sectors for London
- Affordable workspace and incubator units
- Refurbishment of existing employment premises
- Environmental improvements
- Improvements to public transport

11.3 Merits of Alternative Interventions

There is scope for each of these measures to be applied according to the circumstances and location of each development need under consideration. No one form of intervention is mutually exclusive and the options can be mixed and matched to optimal effect on a case by case basis.

The appropriate type of intervention will depend on taking account of the specific advantages and caveats of each type of intervention relative to the situation affecting any given development.

Guidelines as to the benefits of each type of intervention, where they may be applied and any caveats to be borne in mind, are summarised on the table below (Table 11.1).

TABLE 11.1
GUIDELINES ON ALTERNATIVE INTERVENTIONS

Option	Relevance to main employment areas	Benefits	Caveats
Construct New Premises	Shoreditch • Preferred location but potentially limited opportunities because of high land values associated with residential development Kingsland Basin/Kingsland Road • Likely to be more opportunities than Shoreditch and would encourage extension of activities northwards from Shoreditch. Dalston • Could be used to reinforce development of cultural industries in this area. Hackney Central • Opportunities likely to emerge but would need to attract businesses that have less specific locational requirements. Hackney Wick • Greater opportunities but limited in the short term by land requirements for the Olympics.	▪ Modern facilities with high quality of design, cabling etc to meet bespoke needs of high technology or knowledge based businesses. ▪ Flexibility of space to provide 'move-on' accommodation. ▪ Potential to locate close to good public transport facilities. ▪ Potential to incorporate high quality external environment. ▪ Contribution to area specific regeneration and economic development objectives. Potential to cross subsidise by including residential as part of the mix.	• High cost of development. • High cost of site acquisition. • Not economically viable. • Long term financial liability. • Will require commitment to future levels of subsidy.
Affordable Workspace and Incubator Units	Shoreditch • Area of greatest demand and potential because of high levels of activity. Opportunity to develop incubator identified as a priority requirement in the Black and Minority Arts Network Premises Audit.	• Create opportunities for start up businesses that would otherwise be unable to find premises. • Could be targeted to meet the needs of qualifying small and micro businesses. • Enables vacant premises to be occupied.	• Subsidy to developers. • Could distort the market by artificially lowering prices. • Would require direct intervention because

TABLE 11.1
GUIDELINES ON ALTERNATIVE INTERVENTIONS

Option	Relevance to main employment areas	Benefits	Caveats
	Kingsland Basin/Kingsland Road • A number of recently built commercial units remain vacant and this mechanism could be used to increase levels of occupation. Should complement the nearest incubator, Accelerator, probably focused on meeting the needs of design/media/visual art businesses. Dalston • Potential to facilitate growth of cultural and creative industries quarter. Should not conflict with existing initiatives being undertaken by Bootstrap Enterprises. Could support a second phase of this project if it proves to be successful. Hackney Central • Potential to facilitate growth of fashion/clothing industries quarter. Hackney Wick • Relatively low cost area so may lead to unnecessary distortions in the market. Potential to reconfigure and implement previous initiative promoted by Workspace plc.	• Contribution to wider regeneration and economic development objectives.	market unlikely to provide voluntarily. • from other localities. • Development costs could be high
Refurbishment of Existing Employment Premises	Shoreditch • Area of greatest potential because of large stock of suitable buildings and area of greatest demand.	• Attractive to businesses looking to locate in buildings with more character. • Enable currently vacant premises to be occupied, maximising a currently under-utilised	• Possible that the only buildings that become available are the most difficult and relatively expensive to adapt.

TABLE 11.1
GUIDELINES ON ALTERNATIVE INTERVENTIONS

Option	Relevance to main employment areas	Benefits	Caveats
	• Could be used to support sector specific initiatives proposed by City Fringe Partnership. Kingsland Basin/Kingsland Road • Potential to provide accommodation for businesses being forced out of South Shoreditch by high rents. Dalston • Potential to facilitate growth of cultural industries quarter. Hackney Central • Potential to facilitate growth of fashion/clothing industries quarter. Hackney Wick • Limited opportunities.	resource.	• Potentially sub-optimal development. • Would require direct intervention because market unlikely to provide voluntarily. • May not be economically viable. • Could be long term financial liability. • Will require commitment to future levels of subsidy.
Rent Relief to Enable Business Start Ups	Can be considered for managed workspace in all sub-areas to assist businesses at start up stage.	• Suitable for meeting the needs of qualifying small and micro businesses at an early stage of their development. • Creates opportunities for start up businesses that would otherwise be unable to find premises. • Can bridge the mismatch between supply and demand, in the short to medium term. • Facilitates the occupation of vacant commercial units. • Obviates the need for large capital allocations.	• May require commitment to future levels of subsidy. • May not be sustainable. • Could create an imbalance at the sub regional level by attracting businesses from other localities. • Would require strategy to enable successful

TABLE 11.1
GUIDELINES ON ALTERNATIVE INTERVENTIONS

Option	Relevance to main employment areas	Benefits	Caveats
			businesses to 'move-on'.
Promote the Growth of Key Sectors	*Shoreditch* • Key sectors identified by City Fringe Partnerships. Could be used to support CFP initiatives. *Kingsland Basin/Kingsland Road* • Facilitate the development of design/media/visual art businesses that are migrating north from Shoreditch. *Dalston* • Facilitate the development of cultural industries sectors. *Hackney Central* • Facilitate the development of clothing industry based in Mare Street DEA. Hackney Wick	• Enables important clusters to grow and consolidate in Hackney, strengthening the local economy. • Enables a focused, targeted approach tailored to the specialist needs of sector based businesses. Conducive to the attraction of inward investment. • Complement the City Fringe Partnership strategy initiatives • Create opportunities for start up businesses that would otherwise be unable to find premises. • Increase in employment opportunities. • Create opportunities for the development of supportive networks.	• May exclude other businesses with growth potential. • Support infrastructure would be required to ensure success.
Environmental Improvements	*All locations* ▪ Employ Community Support Officers to provide high visibility patrols within employment areas, providing reassurance and tackling antisocial	• Would enable some town centres to increase business occupiers due to safer and more attractive operating conditions. • Improve the wider image of Hackney.	• A more marginal issue. • Requires a long term management commitment to give priority to the

TABLE 11.1
GUIDELINES ON ALTERNATIVE INTERVENTIONS

Option	Relevance to main employment areas	Benefits	Caveats
	behaviour. ▪ Introduce initiatives such as the Environmental Business Pledge developed by Manchester City Council. Work with partner agencies to encourage local businesses to improve their environmental performance and their local environment. ▪ Invest in infrastructure and environmental improvements, to create a sought-after industrial/business location.	• Address an issue identified by Atkins report. • Contribute to wider Regeneration and Liveability objectives. • Wider community benefits for residents and workers alike. • Better street lighting will improve safety.	maintenance of the streetscene. • May only be successful if complemented by other initiatives such as the introduction of Neighbourhood Wardens and improvements to Community Safety and improved Public Transport. • Revenue implications.
Accessibility and Improvements to public transport system.	Can be considered for all sub-areas	• Opportunities to capitalise on existing and forthcoming rail routes. • Potentially significant impact on opening up less central areas to small business workspace demand. • Some interventions can take place short term and at relatively low costs, e.g. improvements around London Fields station, or introduction on new bus services.	• Some interventions may be long term in nature.

11.4 Establishing Coordination Capacity within the Borough Council

An essential step will be to set up a mechanism to administer the development funding and processes associated with Section 106 funding related for re-provision of B1, B2, B8 workspace or related employment growth initiatives where employment land is lost, such as through residential developments undertaken on former employment land.

This may require a small section of 1-2 officers to be established within the Council, within or working on behalf of the Planning or Economic Development/Regeneration areas. This would be in line with the Consultation Draft of the Planning Contributions Draft which states that 'The Council's Economic Development department will evaluate the impact of development to assess the type of contributions a developer may deliver.'

This coordination section would involve the following functions:

- Advise on the scope of what is required from the development agreement for Section 106 agreement.
- Administer the pool of funding received from developer contributions.
- Commission work to investigate and marshal demand for workspace identify sites on which solutions can be delivered.
- Facilitate and forge partnership arrangements between workspace operators and residential developers where mixed use developments can meet a fully worked up workspace need for an identified purpose.
- Work with other council departments to bring about public realm improvements which may accompany workspace developments, such as environmental and public transport enhancements.

Consideration should be given towards advertising, prequalification and selection of a panel of development coordination teams who can be commissioned on a project by project basis to advise on development values or to undertake development feasibility studies for specific projects meeting specific needs. Such teams would typically involve a multi-disciplinary grouping including an architect, a chartered surveyor, quantity surveyor and structural engineering specialist. Typically this would be made up of a consortium of professionals who would collectively have access to a range of more specialist professional expertise elsewhere in their firms or through associate networks.

11.5 Development Coordination Functions

Once funding receipts have begun to be accumulated, there will be a need to work with appropriate business, sector-related, community organisations, or social enterprises to:

a) Marshal demand for specific workspace requirements, which are location specific.

b) Define and specify workspace projects by location, size and configuration, which will provide solutions to the needs of these bodies.

c) Identify and procure sites which match the needs of those projects.

d) Coordinate construction of the required workspace.

e) Arrange handover of the developed space on appropriate commercial terms.

In terms of delivery, the Council would have the option of working directly with those who are coordinating sector development initiatives and encouraging them to acquire their own expertise to work up schemes for workspace provision.

Alternatively, there would be the option of setting up an independent, arms length corporate vehicle to undertake these functions. This would enable expertise to be focused in a single entity oriented to the planning, economic and regeneration aims of the borough. It would avoid the need for the borough council to devote significant management time to the process and avoid potential conflicts of interest. This would most likely take the form of a development trust as described below.

11.6 The Case for Establishment of a Development Trust

11.6.1 Areas of Added Value

Given that there is a justifiable case for market intervention, there is therefore a case for establishing a corporate vehicle which operates as the market intervention organisation acquiring, owning, funding and letting properties either directly or indirectly to groupings of small businesses requiring workspace in Hackney. This would most likely be in the form of a Property Trust which will have some form of relationship with Hackney Borough Council whereby it would receive capital funding from the Borough Council that will be utilised to fund the procurement of property. The form of the relationship with the Borough Council and the capital funding could take many forms.

An arms length vehicle potentially can add value in a number of ways.

- Capital Financing. A Trust could potentially raise debt finance or attract equity finance utilising different structures to those available to the Borough Council.

- Operational Style. To maximise the opportunity a Trust would have to operate in a commercial style similar to the companies it will be competing with in the market. An arms length vehicle will have more potential to operate commercially than an internal Borough Council division.

- Funds Recycling. In any corporate model there will be a real possibility for revenue profits and capital gains to be realised. If these are received by the Borough Council they may be seen as a general cash inflow and be utilised to fund Borough Council's general spending programmes. If they flowed directly into a Trust they would be effectively ring fenced and available to support further investment programmes.

- Focus. The Trust management team would be entirely focussed on a single specialised market and as such would develop specific skills, knowledge and contacts which would be materially different to those of an in-house Borough Council division.

- Borough Council Control and Influence. If the Trust for all but minor decisions requires Borough Council approval it is effectively incapable of operating at arms length and is in all but name an internal division of the Borough Council ;
- Staffing. If the Trust does not have its own permanent staff and is staffed through secondments from the Borough Council it will be difficult if not impossible for it to grow a culture or modes of operation which are distinct from those of the Borough Council. In all but name it will be an internal division of the Borough Council;

- Operational Style. Although arms length and theoretically able to work independent of the Borough Council it could be set up with a constitution that forces it to work in a similar way to the Borough Council, for instance imposed financial regulations and operational procedures. The more these are imposed the more it will look like a mirror image of the Borough Council with little if any real added value. The Trust would need a financial regime to reflect the fact that it is handling public sector funds but this is not the same as having an identical regime to the Borough Council;

- Low Deal Volume. There can be various reasons for creating an arms length vehicle; these typically revolve around tax structuring and protecting/pledging assets in capital financing deals. Neither of these circumstances is likely to occur in this case. All freestanding vehicles create additional costs that will vary according to whether the vehicle is a shell or a full trading organisation. If there is a low volume of trading activity in the vehicle it will increase overall costs but not produce any significant advantage compared with the in house option.

The vast majority of the above issues are ones that are totally within the control of the Borough Council and the Borough Council has significant degrees of freedom in relation to how it establishes and allows a Property Trust to function. The Borough Council may have some constraints that flow from its own statutory powers and responsibilities and these will need to be considered in due course. It is unlikely that the Borough Council is so constrained that a freestanding vehicle could not be structured in a way that can create real added value.

In summary the case for a Property Trust is almost entirely dependent on how the Borough Council chooses to establish the Trust and allows it to function.

11.6.2 Core Functions

The core business of the Trust would be to provide expert property advice to the identified groupings of small businesses with a collective need for affordable and/or specialist workspace and where necessary fund properties for use by those businesses.

In procuring property the issues that the Trust addresses will be confined to property related matters. In addition there are other matters, which the groupings of end users may need to address in order to inform the property procurement process.
These include:

- Space Specification. How a building will be subdivided and what services/facilities are provided to each unit or common area.

- Specialist Requirements. Where there are specialist users there may be specialist requirements for instance in relation to floor loadings, lighting standards or power supplies.
- Support Services**.** How a building will be used and what non-standard facilities may be incorporated.

These issues need to be addressed as part of the property procurement process. In reality we would anticipate that through the Trust and groupings of end users working closely together it would be possible to resolve both the operational and property issues within a single agreed property specification document.

Property advice required by the groupings of end users would be provided in a flexible but not necessarily open-ended basis. For complex matters a formal commissioning approach could be adopted with charges being levied although not necessarily on a full cost basis.

The Trust would only acquire a property interest following a clear brief from the grouping of end users. It is imperative that the Property Procurement process is end user driven.

Subject to Borough Council policy and financial constraints the Trust could when procuring property:

- Develop a new building on an acquired site;
- Refurbish or adapt an acquired building;
- Acquire a building already fit for purpose; and
- Working with Public or Private Sector partner's facilities a 'deal' without necessarily taking a direct interest.

Once a property brief is agreed between the Trust and a grouping of end users there are four possible major transaction types for procuring the property.

Freehold or premium leasehold;
Acquiring a leasehold interest with no premium;
Deficit funding a commercial development; and
Facilitating or brokering a deal between the end user grouping and a Third Party.

All these options should be available to the development trust, if this option is selected.

12. CONCLUSIONS

12.1 Key Findings

This report has clearly identified a major imbalance between the demand and supply of small business workspace of a suitable quality across Hackney.

- Hackney is rapidly becoming a favoured location for professional and business services, media and design related businesses attracted by close proximity to the large customer bases in the City and West End. South Shoreditch is the areas where this demand is concentrated.

- The level of demand from these businesses for workspace in South Shoreditch is significant. There are a large number of unfulfilled requirements for space under 1,000 sq ft (93 sq m). Intervention is needed to address this imbalance.

- There is evidence to suggest that professional and business services and creative sector micro-businesses are being attracted to Dalston and Hackney Central. Whilst this represents a tiny fraction of the demand experienced in South Shoreditch, it nevertheless suggests that with appropriate provision of managed workspace, a stronger case of such businesses could potentially be attracted to these areas.

- Two thirds of the available floorspace is in South Shoreditch. However, given the number of unfulfilled requirements, the strategic model indicates that much of this floorspace is of the wrong size and type.

- Live work schemes no longer cater for the needs of small businesses seeking to set up in Hackney as they are too expensive.

- Much of the newly built vacant floorspace elsewhere in Hackney is also of the wrong type and in some cases in the wrong place.

The study has spelt out the case for intervention in order to address market failure in the small business workspace market, particularly to provide units of the right size and quality at an affordable price. This needs to be addressed in order to meet the economic development and regeneration needs of the borough.

12.2 Recommendations

To address the needs identified, the following actions are recommended.

1. Policies should be set in place or maintained to preserve employment uses within these areas where demand for business workspace is prominent.

2. Developers should, where appropriate be encouraged to configure or reconfigure any space provided on-site to make it more suitable and appealing to SME occupiers.

3. In other areas which are characterised by high concentrations of residential development, sites which are remote from main employment areas can be selectively released from employment uses, provided that contributions towards re-provision are made where appropriate. This should be subject to

preserving sufficient industrial and warehousing space to meet demand in line with projections from the strategic model and/or more localised in market intelligence that may emerge in the future.

4. The Council should focus on off-site interventions, whereby financial contributions received for loss of employment in one part of the borough can be directed towards replacement space in another, provided that a legal basis for this can be established. This should be the priority target for funding contributions emanating from the Councils SPD Planning Contributions Policy.

5. A coordination mechanism should, in the first instance be set up within the Council. This could comprise two officers responsible for advising on and administering the pooled development funding from Section 106, specifying the scope of employment growth schemes, particularly those related to affordable workspace then coordinating their delivery.

6. An arms length corporate vehicle, in the form of a development trust should be established as the vehicle for acquiring, owning, funding, developing and letting properties which meet the demand for small business workspace where the private sector is failing to do so.

7. This vehicle should focus on identifying suitable sites and buildings, working up suitable development schemes and working with appropriate not for profit or private sector deliverers to acquire such sites then implement and operate these schemes.

8. Through these two mechanisms, as a priority, workspace schemes should be initiated in South Shoreditch to address the identified shortage of small business office and studio space in South Shoreditch. The key focus needs to be in providing good quality space subdivided into units of up to 500 sq ft (46 sq m) and between 501 – 1000 sq ft (47 – 93 sq m).

9. This should include the development of managed workspace centres, ideally of 20 – 25,000 sq ft (1,859 – 2,323 sq m) both to meet the needs of specialist sectors and for general users in the business services, media and design fields. A supply of general office and studio space of between 500 sq ft (46 sq m) and 3,000 sq ft (279 sq m) should also be delivered through these mechanisms.

10. Such intervention needs to centre around addressing the collective needs of individual sectors, particularly the business services, media and design, or where this is not appropriate, marshalling the demand from other suitable groupings of end users with similarly identified workspace needs.

11. More managed workspace schemes should then be initiated in Dalston and Hackney Central, focusing on the provision of start up units of under 500 sq ft (46 sq m) and in the longer term expansion units up to 3,000 sq ft (279 sq m).

There is now an opportunity for the Council to take forward these proposals. In so doing, it can bring about the successful consolidation and growth of a number of specialist business sectors, unlocking current constraints on their potential development and leading to greater dynamism, vibrancy and sustainability within the local economy.

APPENDICES

APPENDIX 1

MAPS

1. Hackney Employment Areas
2. Postcode Map


Dalston
South Shoreditch
Hackney Wick
Hackney Central
Kingsland Basin/
Kingsland Road
South Shoreditch
HACKNEY
MARSH
VICTORIA
PARK
Hackney
Hackney Employment Areas

APPENDIX 2

CASE STUDIES OF MIXED USE PLANNING APPLICATIONS

MIXED USE DEVELOPMENTS

Floorspace Created by Sample of Mixed Use Development		
ADDRESS	B1 Floorspace (m2)	Built
	630	Yes
Old Gainsborough Film Studios New North Road/ Imber Street/Poole Street	2545	Yes
Land At 257-269 Mare Street 280-288 Richmond Road And Martello Street	6814	Yes
1-3 Long Street	5778	Yes
23-41 Wenlock Road (Royle House)	2181	Yes
6-24 Southgate Road	2440	Yes
Land Bordered By Britannia Walk, Nile Street, Provost Street And Ebenezer Street	1724	Yes
238-240 Kingsland Road	1862	Yes
8 - 14 Orsman Road	1842	Yes
5-7 Wenlock Road	3660	Yes
297-301 Kingsland Road	702	Yes
Westland Place/Nile Street/Britannia Walk	3007	Yes
Hornes House, 15 Ramsgate Street London E8	1242	Yes
35 37 & 39 Stoke Newington High Street	0	Yes
284-288 Kingsland Road	1441	Yes
3-23 Bentley Road	0	Yes
21-29 Shore Road	661	Yes
Britannia Walk Industrial Units, 11-13 Ebenezer Street	1291	Yes
16-30 Provost Street	1102	Yes
43a Manor Road	120	Yes

Floorspace Created by Sample of Mixed Use Development		
ADDRESS	B1 Floorspace (m2)	Built
9-13 Arcola Street	296	Yes
23-35 Waterson Street	465	Yes
Perseverance Works Waterson Street	500	Yes
9-11 Garden Walk	620	Yes
	40529	
Leeside And Middlesex Wharves (Latham's Yard) Mount Pleasant Hill	6390	No
29-53 Chatham Place Burberry Building	5273	No
Adelaide Wharf And 118 - 120 Queensbridge Road	690	No
3-11 Wenlock Street	530	No
23-41 Wenlock Road (Royle House)	645	No
50 - 60 Wharf Road	5879	No
26-30 Southgate Road	147	No
2 - 26 Somerford Grove	4908	No
2 - 46 Sedgwick Street	1181	No
48 - 50 Well Street & 30-32 Shore Road	490	No
1 - 7 Mackintosh Lane	268	No
273 - 277 Wick Road	576	No
102-110 Mare Street	716	No
114 - 142 Mare Street & 11 - 15 Tudor Road	503	No
14 Triangle Road	870	No
1-3 Silesia Buildings	547	No
35 - 41 Westland Place	760	No
16 - 26 Westgate Street/Corner Of Triangle Road	767	No
32a Geldeston Road	544	No
Land Adjoining 112-122 Tabernacle Street	426	No

Floorspace Created by Sample of Mixed Use Development

ADDRESS	B1 Floorspace (m2)	Built
20 Ramsgate Street	1489	No
167-171 Balls Pond Road	176	No
166-168 Shepherdess Walk	3718	No
Land Adjacent To 15 Micawber Street	821	No
2 -16 Phipp Street	951	No
16 Andrews Road	809	No
8 Long Street	630	No
	41184	

Analysis of a review of Planning Applications for Mixed Use Development

MIXED USE DEVELOPMENTS - DETERMINED	New Build/Refurb	Live-work
Leeside And Middlesex Wharves (Latham's Yard) Mount Pleasant Hill	New Build	Live-work
Old Gainsborough Film Studios New North Road/ Imber Street/Poole Street	New Build	Live-work
29-53 Chatham Place Burberry Building	New Build	
Adelaide Wharf And 118 - 120 Queensbridge Road	New Build	
Land At 257-269 Mare Street 280-288 Richmond Road And Martello Street	New Build	Live-work
3-11 Wenlock Street	New Build	
1-3 Long Street	New Build	
23-41 Wenlock Road (Royle House)	Refurbishment	Live-work
23-41 Wenlock Road (Royle House)	New Build	Live-work
23-41 Wenlock Road (Royle House)	New Build	Live-work
6-24 Southgate Road	New Build	Live-work
Land Bordered By Britannia Walk, Nile Street, Provost Street And Ebenezer Street	New Build	Live-work
50 - 60 Wharf Road	New Build	

Analysis of a review of Planning Applications for Mixed Use Development

MIXED USE DEVELOPMENTS - DETERMINED	New Build/Refurb	Live-work
238-240 Kingsland Road	New Build	
8 - 14 Orsman Road	New Build	
26-30 Southgate Road	New Build	
2 - 26 Somerford Grove	New Build	Live-work
5-7 Wenlock Road	New Build	
2 - 46 Sedgwick Street	New Build	
297-301 Kingsland Road	New Build	Live-work
Westland Place/Nile Street/Britannia Walk	New Build	Live-work
Hornes House, 15 Ramsgate Street London E8	New Build	Live-work
48 - 50 Well Street & 30-32 Shore Road	New Build	
35 37 & 39 Stoke Newington High Street	New Build	
1 - 7 Mackintosh Lane	New Build	
92-100 Stoke Newington Road	Refurbishment	Live-work
273 - 277 Wick Road	New Build	
284-288 Kingsland Road	New Build	Live-work
102-110 Mare Street	New Build	
114 - 142 Mare Street & 11 - 15 Tudor Road	New Build	
14 Triangle Road	New Build	
3-23 Bentley Road	New Build	
21-29 Shore Road	New Build	
1-3 Silesia Buildings	New Build	
35 - 41 Westland Place	New Build	
16 - 26 Westgate Street/Corner Of Triangle Road	New Build	
124-128 Shacklewell Lane	Refurbishment	Live-work
7 Shepherdess Place	Refurbishment	Live-work
32a Geldeston Road	New Build	
Land Adjoining 112-122 Tabernacle Street	New Build	
Britannia Walk Industrial Units, 11-13 Ebenezer Street	New Build	Live-work

Analysis of a review of Planning Applications for Mixed Use Development		
MIXED USE DEVELOPMENTS - DETERMINED	**New Build/Refurb**	**Live-work**
Stamford Works Gillett Street	Refurbishment	
21 - 31 Shacklewell Lane	Refurbishment	Live-work
Springfield House Tyssen Street	Refurbishment	Live-work
20 Ramsgate Street	New Build	Live-work
167-171 Balls Pond Road	New Build	
16-30 Provost Street	New Build	
166-168 Shepherdess Walk	New Build	
Land Adjacent To 15 Micawber Street	New Build	Live-work
43a Manor Road	New Build	
9-13 Arcola Street	New Build	
2 -16 Phipp Street	New Build	
8 Long Street	New Build	
23-35 Waterson Street	New Build	
Perseverance Works Waterson Street	New Build	Live-work
16 Andrews Road	New Build	
9-11 Garden Walk	New Build	
LIVE-WORK SCHEMES		
298-316 Kingsland Road &1a Arbutus Street	New Build	Live-work
293-297 Kingsland Road	Refurbishment	Live-work
260 - 268 Kingsland Road	New Build	Live-work
1-6 Bateman's Row	New Build	Live-work
23-41 Wenlock Road (Wenlock Works)	New Build	Live-work
Wenlock Works, Wenlock Road	New Build	Live-work
Enterprise House, Tudor Grove	Refurbishment	Live-work
57-59 Dalston Lane	New Build	Live-work
OTHER EXAMPLES – NOT DETERMINED		

Analysis of a review of Planning Applications for Mixed Use Development		
MIXED USE DEVELOPMENTS - DETERMINED	**New Build/Refurb**	**Live-work**
Eagle House Land Bounded By 159-189 City Road Britannia Walk Ebenezer Street & Westland Place London N1 7EH	Part Refurbishment/Part New Build	
1 Felstead Street	New Build	
23 - 47 Mare Street	New Build	
199 - 205 Richmond Road	New Build	
43 - 51 New North Road & 134 - 142 East Road	New Build	
1 Dunn Street	New Build	
17-21 Wenlock Road	New Build	
227 227a 227b 227c City Road & 4 Windsor Terrace	New Build	
79 -85 Hackney Road	New Build	
50 Acton Mews	New Build	
Babik House 124 - 130 Shacklewell Lane	New Build	Live-work

FULL DETAILS OF THE CASE STUDIES WHICH WERE REVIEWED

SOUTH SHOREDITCH

Address	No.	Development Description	Decision	Completed	Applicant	Design/description of Commercial Floorspace	Occupation
OLD GAINSBOROUGH FILM STUDIOS NEW NORTH ROAD/ IMBER STREET/ POOLE STREET	SOUTH/261/99/FP	Erection of 8 and 12 storey building with alterations to existing building along Poole Street and extensions to provide 174 residential units 78 live-work units and approximately 2,151m2 of B1 floor space together with restaurant and film studios and provision of 174 basement parking with landscaping.	07/07/2000 Granted	21/05/2003 CT Schedule	Gainsborough Studios Ltd, Fitzroy Square, W1P 5AH Southern Housing Group/City & Counties Hsing,6-8 St Johns Sq EC1M 4NH	B1 office space on ground and first floor B1 office space adjacent to canal. Total office space of 2150 m^2.	Majority occupied
SHEPHERDESS PLACE CHOCOLATE STUDIOS	SOUTH/163/00/FP	Use of basement & ground floor as b1 use & 5 upper floors for 20 live-work units & 14 flats + ext alterations/extensions.	23/06/2000 Granted Standard Conditions relating to live-work.	Completed 01/02/2001 CT Schedule	Westcombe Homes 1145a Greenford Road Greenford Middx OB6 0DP	11 No. B1 Units on Ground Floor of different sizes: 33.75 m^2 52.5 m^2 67.5 m^2 76.5 m^2 80.75 m^2 104.5 m^2 8 No. B1 Units on Ground Floor of different sizes: 37.5 m^2 56 m^2 71.25 m^2 199 m^2	Ground Floor Vacant. No work on subdivision undertaken. Agents state that commercial floorspace is not on the market. Some indication that the basement is occupied. Developer declined to discuss.

						313.5 m^2	
THE CIRCUS SPACE, CORONET STREET/HOXTON SQUARE	2005/0809	Erection of a 3 storey extension to the existing combustion chamber building to provide an energy centre, creation structure, workspaces and associated activities involving partial demolition of rear building.	30/09/2005 Granted	Not started	The Circus Space, Coronet Street, N1 6HD	First floor 5 no. workspaces with typical sizes: 14.7 m^2 17.6m^2 Second floor 5 no. workspaces with typical sizes: 12.8 m^2 16.5m^2 Mezzanine floor 6 no. workspaces with typical sizes: 11 m^2 8.5m^2	Likely occupiers not yet known.
23-41 WENLOCK ROAD (ROYLE HOUSE)	SOUTH/756/98/FP	Redevelopment involving new 3, 4 & part 6 storey building to provide 49 live-work units, b1 floor space and car parking	17/02/2000 Granted	23/04/2002 VOA	Lemon Land Ltd	Total of 2040 m^2 of B1 floorspace in 12 units of varying sizes located mostly on the ground floor. Ground Floor: Sizes range 295 m^2 235 m^2 325 m^2 350 m^2 Southernmost end of 3 storey building also contains B1 element on upper floors. 49 live-work units Range 75 m^2 to 110 m^2.	

7-27 DRYSDALE STREET N1 6ND	SOUTH 169/99/FP/A	Construction of 12 Flats, 27 live-work, 25 commercial B1,B2, B8 units and 30 car parking spaces.	22/03/1999 Granted	Completed	City Lofts Developments.	Ground Floor: 9 no. units 39.6m^2 39.6m^2 57.3m^2 49.1m^2 63.8m^2 77.8m^2 195.5m^2 478.3m^2 209.7m^2 First Floor 5 no. units 78.9 m^2 140.67 m^2 90.99 m^2 111.81 m^2 97.12 m^2 Second Floor 5 no. units 119.93 m^2 139,86 m^2 120.33 m^2 124.91 m^2 95.96 m^2	6 remaining Average Price per m^2 £2144
PERSEVERANCE WORKS WATERSON STREET	SOUTH/196/99/FP	Partial redevelopment of car park by a 3 storey building to provide 8 b1 units 11 live/ work units and 10 flats	26/08/1999 Granted	Completed 01/03/2004 VOA	Giltarc Ltd Wharfdale House 42-46 Wharf Dale Road London N1 9RY	Ground Floor: 8 no. units 7@ 42 m^2 1@60 m^2	7 occupied 1 vacant
16/17 HOXTON SQUARE N1 6NT	2003/2437	Change of use of 1st floor to mixed B1/D1 (offices and crèche)	19/12/2003 Granted	Implemented	Capital & Provident	1st Floor 33.3 m^2 plus 9 m^2	Occupied

BRITANNIA WALK INDUSTRIAL UNITS, 11-13 EBENEZER STREET	2002/1217	Erection of a part 4 and a part 5 storey building to provide B1 office floorspace (1291sqm) on the ground floor, and 60 sqm on the first floor, 18 live-work units on the first and second floors and 14 residential flats comprising 12x2 bedroom and 2x1 bedroom on the third and fourth floors, together with 5 car parking spaces, bicycle racks, altered vehicle access to Britannia Walk and demolition of existing buildings.	Decided at Appeal 04/03/2003	Started 19 April 2004 NHBC records	Goldcrest Homes (Britannia) Ltd Unit 7 Hurlingham Business Park Sulivan Road London SW6 3DU	Ground Floor: Unit 1 56 m^2 Unit 2 94.5 m^2 Unit 3 94.5 m^2 Unit 4 84 m^2 Unit 5 54 m^2 Unit 5a 926 m^2 Unit 6 69 m^2 Unit 7 100.6 m^2 Unit 8 117 m^2 Unit 9 117 m^2 Unit 10 60 m^2 Unit 11 56 m^2 18 live-work units Only 1 of these apparently used for work.	3 B1 units remain vacant. Evidence obtained indicates that only 1 live-work unit used for employment purposes. Occupiers regard Old Street as good location citing proximity to public transport. reasonably safe environment for female employees and ability to purchase freehold. 2 occupiers are engaged in travel industry. One of these purchased property. 3 vacancies
LAND BORDERED BY BRITANNIA WALK, NILE STREET, PROVOST STREET AND	SOUTH/831/99/FP	Erection of parts 5 & 6 storey +basement building to form 80 flats 6 live-work units office light industrial uses & carpark	05/05/2000 Granted	01/10/2002 VOA	Islington & Shoreditch Ha Unit 7,Shepperton Road, London N13df Moorfields Eye	Ground Floor: 578 m^2 153.4 m^2 Pharmacy 271 m^2	Offices on Ground Floor. All appear to be occupied. Clinic/Pharmacy.

EBENEZER STREET					Hospital, City Road, London EC1V 2PD		
50 - 60 WHARF ROAD	2004/2702	Erection of a part 3 part 5 part 6 part 8 and part 10 storey building to provide 77 residential units (19 x 1 bed 32 x 2 bed 20 x 3 bed and 6 x 4 bed) and 5879 square meters (GEA) of B1 (office) floor space together with 46 car parking spaces and 70 cycle spaces at basement level and demolition of the existing buildings.	16/09/2005 Granted	Not built. No start details LDD	The Workspace Group Plc C/O The Halpern Partnership Ltd The Royle Studios 41 Wenlock Road London N1 7SG	Basement: 5 no. B1 units Ground Floor: 13 no B1 units First Floor: 7 no. B1 units. Second Floor: 7 no. B1 units. Third Floor: 7 no. B1 units. Fourth Floor: 7 no. B1 units. Fifth Floor: 6 no. B1 units. Range of sizes e.g.: 13 m^2 25 m^2	Not started
SARA LANE COURT, STANWAY STREET N1	2003/0953	Conversion of existing basement and ground floor ancillary storage to 18 artists studios.	27/06/2003 Granted	Completed	Arts Services Grants, 129-132 Mare Street, E8 3RH	Total of 40 studios on the site. Basement sizes: 30 m^2 22 m^2 Complements the 22 SPACE studios already at the site. 50% of the new studios are wheelchair accessible.	Most units appear to be occupied. Built to stem the loss of artists' studio space in Hoxton to residential developments and rising business rents.

MIXED USE DEVELOPMENTS

DALSTON

Address	No.	Development Description	Decision	Completed	Agent	Design of Commercial Floorspace	Occupation
9-13 ARCOLA STREET	NORTH/1010/00/FP	Erection of part 3 and part 4 storey building to provide 12x1bed flats and 296m2 of B1 use on ground floor.	06/12/2001 Granted Condition: Development can only be carried out by NIHHA or other registered HA> Reason: Scheme only acceptable because it is a HA.	Completed 24/06/2003 CT Schedule	BURGESS MEAN ARCHITECTS 3, COWPER ROAD LONDON SW19 1AA	Workshop 205m^2 in basement (suitable for subdivision) 3 offices on ground floor	Offices are fully occupied.
124-128 SHACKLEWELL LANE	SOUTH/614/00/FP	Change of use of bldg to 627sqm b1, 14 flats, 19 live/ work units with 13 car bays, new 3rd flr extn & alteration.	14/02/2001 Granted	Completed 15/03/2002 VOA	YEATES DESIGN & ARCHITECTURE 74 CLERKENWELL ROAD LONDON EC1M 5NL	2 ground floor commercial units. Unit One 523 m^2; Unit Two 140 m^2. 21 live-work units ranging in size from 71 m^2 to 82m^2.	Unit One Vacant – never been occupied.
124-128 SHACKLEWELL	2001/1264	Change of use and conversion of ground	02/05/2002		Yeates Design &		

LANE		floor to 6 live-work units and a residential studio.	Refused		Architecture 74 Clerkenwell Road London EC1M 5NL		
HORNES HOUSE 15 RAMSGATE STREET LONDON E8	2003/1772	Erection of a part 10, part 4 storey building to provide 1242sqm of class B1 space; 4 live-work units; and 48 residential units, demolition of existing building.	21/12/2004 Granted Condition: Completion of employment floorspace to shell and core condition prior to residential occupation. Reason: To ensure provision of industrial floorspace.	Not built. No start details LDD	Waugh Thistleton Limited 51 Great Eastern Street London EC2A 3HP		
THE CHOCOLATE FACTORY MARSHA LYNE WORKS FARLEIGH PLACE N16	2004/1563	Change of use of existing vacant factory to 16 artists studios and 2 self contained 1 bed units and extension at first floor.	3/8/2004 Granted 1/12/2004		Peter Bernamont Wharf Studios Baldwin Terrace, N1 7RU.	8 General Studios on Ground Floor ranging from 33 m^2 to 16.5 m^2. 8 Artists Studios on First Floor ranging from 28.5 m^2 to 16 m^2.	All fully let.
11a GILLET STREET N16	2003/0648	Erection of 4 storey building to provide gallery and café (AB) on ground floor, music	17/4/2003. Granted 17/4/2003		Russell Brown, Hawkins/Brown Architects 60 Bastwick	4 studios on second and third floors ranging in size from 68 m^2 of floor area	

QuickTime™ and a TIFF (LZW) decompressor are needed to see this picture.		venue (D@) and employment use (B!) on upper floors.			Street EC1V 3TN	on second floor and 63 m^2 on third floor.	

MIXED USE DEVELOPMENTS

KINGSLAND BASIN/KINGSLAND ROAD

238-240 KINGSLAND ROAD	2002/1671	Redevelopment of part 5 and 6 storey block and a 4 storey block to provide 1862sqm business (B1) space, 216sqm business/restaurant/bar use (B1/A3) and 73 residential units with associated parking and vehicular accesses.	20/07/2005 Granted	Started 15 June 2005 NHBC records	Community Housing Association c/o CgMs Limited	CGMS Limited 7th Floor Newspaper House 8-16 Great New Street London EC4A 3BN	1595 m^2 offices proposed. No details	Still under construction.
284-288 KINGSLAND ROAD	2002/2112	Erection of a part 4 and part 7 storey block adjacent to Kingsland Road; erection of a 5 storey block along Lee Street and erection of a 7 storey block adjacent to Acton Mews, to provide 1441sqm of B1 (Business) accommodation; 14 live-work units, 31 residential units and basement car parking (Revised Scheme of SOUTH/411/00/FP).	24/09/2003 Decision from Appeal	Completed 21/06/2005	Investland (Kingsland) Limited OCC Estate 105 Eade Road London N4 1TJ	Hepher Dixon Limited 100 Temple Avenue London EC4Y 0HP	**Original Drawings** Ground Floor: 2 no. B1 units 168m^2 153m^2 First Floor: 2 no. B1 units 253m^2 252m^2 14 live-work	Now 6 no. B1 units; 70 m^2 81 m^2 87 m^2 70 m^2 80 m^2 71 m^2 Average sale price £2869 per m^2. Marketed as Haggerston Studios. Live-work occupied by artists, product designers.
298-316 KINGSLAND ROAD & 1A ARBUTUS	SOUTH/871/00/FP	Erection of 8,7,5 storey bldg 5th fl extension to a retained bldg for 1310m2 b1 fl. space, 101 live-	09/11/2001 Granted	Completed 01/09/2005	NEPTUNE ESTATES LIMITED 125	STEPHEN DAVY/PETER SMITH ARCHS 77 EAST	Ground Floor: B1 units 918 m^2	Range of units available Min size 80 m^2 **Max size 326**

STREET		work units & parking.			CLOUDESLEY ROAD LONDON	ROAD LONDON N1 6AH	Lower Ground: B1 units 488 m^2 Upper Ground: B1 units 767 m^2 First Floor: B1 units 405 m^2 Second Floor: B1 units 386 m^2 Third Floor: B1 units 367 Lower Ground: B1 units 488 m^2 m^2 101 live-work units	**$m^{2.}$** **Leasehold £15 Per Sq. Ft.** The available units are situated on the ground floor apparently m^2ideal for media related businesses and photographic studios.
297-301 KINGSLAND ROAD	SOUTH/366/99/FP	erection of 3 four-storey buildings for 52 private & 5 social live-work units, 13 b1 units, parking & landscaping.	23/06/2000 Granted	15/01/2002 CT Schedule	LEMON LAND LTD C/O STEPHEN DAVY PETER SMITH ARCHITECTS 39-41 NORTH ROAD	STEPHEN DAVY PETER SMITH ARCH. 39-41 NORTH ROAD ISLINGTON LONDON	Ground Floor 8 No. B1 units: @ $54m^2$ each unit Ground Floor 5 No. B1 units: @ $54m^2$	A number of units remain vacant. Evidence that some units occupied by artists - (Rachmaninoff's Studios Unit 106)

					ISLINGTON	N7 9DP	each unit 47 No. live-work units @ $84m^2$ each unit 2 No. social live-work units @ $84m^2$ each unit 3 No. social live-work units @ $51m^2$ each unit	Fashion – (Scott Filippa Unit GO7)

MIXED USE DEVELOPMENTS

MARE STREET

21-29 SHORE ROAD	2002/1928	Erection of five storey building to provide 2 floors of B1 use on the lower floors and residential use on the three upper floors. There are 11 x B1 units and 17 flats, comprising of 8 two-bedroom and 9 one-bedroom flats.	18/06/2004 Granted	Unsure – VOA suggests 10 flats at 29 Shore Road	Ruth Yani c/o Liss Gulhane Innes (Solicitors) 1 Junction Road Romford RM1 3QS	Rivington Street Studio 54 Rivington Street London EC2A 3QN	Ground Floor: 6 No. B1 Units $39m^2$ $39.2m^2$ $65m^2$ $63m^2$ $63m^2$ $63m^2$ First Floor 5 No. B1 Units $82.5m^2$ $63m^2$ $61m^2$ $61m^2$ $61m^2$	1 Ground Floor unit to let First Floor not known
LAND AT 257-269 MARE STREET 280-288 RICHMOND ROAD AND MARTELLO STREET	2001/1443	Redevelopment involving erection of 4, 5, and part 4, 6 and 15 storey height buildings; together with single storey extension and refurbishment of a retained 4 storey building to provide 142 flats, 17 live-work units and 6814 sq.m. of commercial floorspace.	11/12/2003 Granted	Partially completed	Fortville 1 Allsop Place London NW1 5LF	GML Architects 7 Garrett St London EC1Y 0TY	Ground Floor: 1 large area 6814 m^2	
11-20 TUDOR GROVE	SOUTH/500/99/FP	external alterations, 4th flr extension, conversion of upper flrs into 8 res units/27 live/ work units.	24/08/2000 Granted	Completed 01/04/2001	EAST CITY INVESTMENTS LIMITED C/O 7 CHESTER	ALLFORD HALL MONAGHAN MORRIS 5-23 OLD STREET LONDON EC1V 9HL	Ground Floor: B1 floorspace 1153 m^2 total. 7 units average size 167.2 m^2 First Floor:	At least 4 units appear to be occupied. All social providers. NSPCC

					FORD GARDENS LONDON NW3 7DD		235 m^2 live work 6 no. 1 bed no. 1 bed @77m^2 3 no. 2 bed@109m^2 Second Floor: 235 m^2 live work 6 no. 1 bed 3 no. 2 bed Third Floor: 235 m^2 live work 6 no. 1 bed 3 no. 2 bed	City & hackney Carers Addction Hackney. City And **Hackney** Association For Mental Health Live-work units advertised as residential.
11-20 TUDOR GROVE	2001/0953	Development: Change of Use of 6 X B1 units on the ground floor to 7 Live-Work Units	06/03/2002 Refused Loss of employment generating floorspace		Ability Developme nts LTD 16-26 Banner Street London EC1Y 8QE	Steve Georgiou 10 Whitehouse Way Southgate London N14 7LT		
11-20 TUDOR GROVE	2002/0293	Development: Change of Use of 6 X B1 units on the ground floor to 7 Live-Work Units	24/10/2002 Refused Loss of employment generating floorspace		Ability Developme nts LTD 16-26 Banner Street London EC1Y 8QE	Steve Georgiou 10 Whitehouse Way Southgate London N14 7LT		

APPENDIX 3

DEVELOPMENT ECONOMICS OF HORNES HOUSE

Background

The market for B1 space throughout the London area is presently depressed and rent levels have fallen compared to those being seen around 2002. At that time, generally speaking, the provision of B1 space in primarily live-work and residential developments in Hackney would, at best, break even. However, with falling rent levels and, at the same time, increasing construction costs, the situation appears to be at a point where development of B1 space now shows a significant loss.

The Hornes House proposal in Ramsgate Street proposed a gross area for the B1 space of 13, 371 sq ft (1,243 sq m). The gross internal saleable area to be provided was calculated at 11, 751 sq ft (1,092 sq m).

Assuming that the B1 space will be provided to a shell finish, with all services available to the unit, rental levels would be £10 psf.

In terms of capital values, a capitalisation yield of 7.5% was assumed. With deductions for purchasers' acquisition costs, a capital value rate of £126 psf and a gross development value of £1,480,626 was estimated.

In assessing the site value/loss the following assumptions were made:

- profit as 15%
- professional fees at 12%
- internal overheads at 10%
- finance at 10%
- marketing fees at 4%
- contractors return at 10%

These were applied to the above gross development value and to the following building costs:

£85psf (£914.96 psm) for the accommodation within a low rise building
£135 psf (£1,453.17 psm) for accommodation within a high rise building

These rates were applied to the gross internal area and it was calculated that they represent approximately £113.34 psf (£1,220 psm) and £139.46 psf (£1,501 psm) based on the gross internal saleable area.

Other assumptions made were:

- 3 month lead in period
- 24 month construction period
- 9 month average sales void

Allowing also for purchasers costs on site value, it was calculated that the B1 space would show a loss in terms of site value of £664,655.

B1 APPRAISAL **15 Ramsgate Street, London**				
GDV	11,751	@ £126		1,480,626
Costs				
Sales at 4%			£59,225	
Build (Tower) 3,907		@ £135		£527,445
Build (Low) 9,464		@ £85		£804,440
Contractors Overheads at 10%				£133,188
Internal Overheads at 10%				£146,507
Fees at 12%				£193,390
Interest at 10% compounded quarterly for 3 months lead in, 24 months build and 9 month sales void				£107,317
Developers Return at 15%				£185,400 -£676,286
Less costs at 1.75%				-£664,655

APPENDIX 4

STRATEGIC MODEL

ALL HACKNEY	AREA FLOORSPACE DEMAND AND SUPPLY MODEL									
	Factor		Manufacturing	Construction	Distribution	Transport/comms	Banking and Finance	Business Services	Other services	Total
Local Business Activity Data										
No. Business Units			872	276	529	340	118	1678	687	4500
Hackney Annual Employment Growth			-53	-67	342	966	296	575	-322	1737
Relocation Replacement Floorspace Demand										
Propensity to Relocate										
Time horizon for considering relocation (months)	60		60	60	60	60	60	60	60	60
Propensity to relocate	34%		33%	35%	40%	42%	32%	34%	30%	34%
Businesses wishing to relocate in Hackney area	31%		19%	25%	24%	20%	18%	49%	31%	31%
Propensity to relocate in surrounding area	30%		33%	38%	24%	20%	41%	30%	27%	30%
Factor for retention in Hackney	0%		0%	0%	0%	0%	0%	0%	0%	0%
Projected relocations retained in Hackney	31%		19%	25%	24%	20%	18%	49%	31%	31%
Optimism bias adjustment	80%		80%	80%	80%	80%	80%	80%	80%	80%
Propensity to relocate in Hackney	8%		5%	7%	8%	7%	5%	13%	7%	8%
Demand snapshot timeframe (months)	12		12	12	12	12	12	12	12	12
Propensity to relocate	1.69%		1.00%	1.40%	1.54%	1.34%	0.92%	2.67%	1.49%	1.69%
Total Current Businesses Relocating			8.75	3.86	8.13	4.57	1.09	44.73	10.22	75.89
Floorspace requirements										
Projected Mean existing space Employment Based			2533	2775	3061	7748	2102	2004	778	2506
Replacement space exc. growth			***22158***	***10723***	***24872***	***35405***	***2286***	***89636***	***7953***	***193034***
Employment Growth Demand										
Share of Annual Employment Growth			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Floorspace ratio/employment density sqft			365	365	540	205	215	205	205	
Total incremental floorspace required sqft			***-19345***	***-24455***	***184680***	***198030***	***63640***	***117875***	***-66010***	***454415***
Total Floorspace Required Exc Exceptional			**2813**	**-13732**	**209552**	**233435**	**65926**	**207511**	**-58057**	**647449**
Exceptional Demand										
1-500	400	350						140000		
501-1000	300	750						225000		
1001-2000	50	1500						75000		
2001-3000								0		
3001-4000								0		
4001-5000								0		
5001-10,000								0		
10,000-15000								0		
Sub Total	750							***440000***		
Total Floorspace Required			**2813**	**-13732**	**209552**	**233435**	**65926**	**647511**	**-58057**	**1087449**

ALL HACKNEY	AREA FLOORSPACE DEMAND AND SUPPLY MODEL									
	Factor		Manufacturing	Construction	Distribution	Transport/comms	Banking and Finance	Business Services	Other services	Total
Allocation of Demand by Use										
Offices			5%	80%	55%	66%	97%	45%	67%	
Light industrial			30%	10%	0%	30%	1%	9%	8%	
Studio			0%	0%	0%	0%	0%	45%	20%	
General industrial			65%	0%	0%	0%	0%	0%	0%	
Warehouse storage			0%	10%	45%	4%	2%	1%	5%	
Total			100%	100%	100%	100%	100%	100%	100%	
Demand by Sector and Size										
Offices										
Total Requirement			141	-10986	115254	154067	63948	93380	-38898	376906
1-500 sqft	6.02%	350	8	-661	6939	9276	3850	68622	-2342	85693
501 - 1000 sqft	8.95%	750	13	-983	10314	13787	5723	109606	-3481	134978
1001 - 2000 sqft	12.36%	1500	17	-1358	14249	19047	7906	45294	-4809	80346
2001 - 3000 sqft	10.78%	2500	15	-1184	12426	16611	6895	10068	-4194	40636
3001 - 4000 sqft	7.55%	3500	11	-829	8698	11628	4826	7047	-2936	28445
4001 - 5000 sqft	5.82%	4500	8	-640	6710	8970	3723	5437	-2265	21944
5001-10,000 sqft	16.17%	7500	23	-1777	18639	24916	10342	15102	-6291	60954
10-15,000 sqft	32.34%	12500	45	-3553	37278	49832	20684	30203	-12581	121909
Total Requirement	100%		*141*	*-10986*	*115254*	*154067*	*63948*	*291380*	*-38898*	574906
Studio										
Total Requirement			0	0	0	0	0	93380	-11611	81769
1-500 sqft	6.02%	350	0	0	0	0	0	68622	-699	67923
501 - 1000 sqft	8.95%	750	0	0	0	0	0	109606	-1039	108567
1001 - 2000 sqft	12.36%	1500	0	0	0	0	0	45294	-1435	43859
2001 - 3000 sqft	10.78%	2500	0	0	0	0	0	10068	-1252	8816
3001 - 4000 sqft	7.55%	3500	0	0	0	0	0	7047	-876	6171
4001 - 5000 sqft	5.82%	4500	0	0	0	0	0	5437	-676	4761
5001-10,000 sqft	16.17%	7500	0	0	0	0	0	15102	-1878	13224
10-15,000 sqft	32.34%	12500	0	0	0	0	0	30203	-3756	26448
Total Requirement			*0*	*0*	*0*	*0*	*0*	*291380*	*-11611*	279769
Light industrial										
Total Requirement			844	-1373	0	70031	659	18676	-4645	84192
1-500 sqft	6.02%	350	51	-83	0	4216	40	13724	-280	17669
501 - 1000 sqft	8.95%	750	76	-123	0	6267	59	21921	-416	27784
1001 - 2000 sqft	12.36%	1500	104	-170	0	8658	82	9059	-574	17159
2001 - 3000 sqft	10.78%	2500	91	-148	0	7550	71	2014	-501	9077
3001 - 4000 sqft	7.55%	3500	64	-104	0	5285	50	1409	-351	6354
4001 - 5000 sqft	5.82%	4500	49	-80	0	4077	38	1087	-270	4902
5001-10,000 sqft	16.17%	7500	136	-222	0	11326	107	3020	-751	13616
10-15,000 sqft	32.34%	12500	273	-444	0	22651	213	6041	-1502	27232
Total Requirement			*844*	*-1373*	*0*	*70031*	*659*	*58276*	*-4645*	123792
General industrial										
Total Requirement			1829	0	0	0	0	0	0	1829
1-500 sqft	6.02%	350	110	0	0	0	0	0	0	110
501 - 1000 sqft	8.95%	750	164	0	0	0	0	0	0	164
1001 - 2000 sqft	12.36%	1500	226	0	0	0	0	0	0	226

ALL HACKNEY	AREA FLOORSPACE DEMAND AND SUPPLY MODEL									
	Factor		Manufacturing	Construction	Distribution	Transport/comms	Banking and Finance	Business Services	Other services	Total
2001 - 3000 sqft	10.78%	2500	197	0	0	0	0	0	0	197
3001 - 4000 sqft	7.55%	3500	138	0	0	0	0	0	0	138
4001 - 5000 sqft	5.82%	4500	106	0	0	0	0	0	0	106
5001-10,000 sqft	16.17%	7500	296	0	0	0	0	0	0	296
10-15,000 sqft	32.34%	12500	591	0	0	0	0	0	0	591
Total Requirement			*1829*	*0*	*0*	*0*	*0*	*0*	*0*	1829
Warehouse storage										
Total Requirement			0	-1373	94298	9337	1319	2075	-2903	102753
1-500 sqft	6.02%	350	0	-83	5678	562	79	1525	-175	7587
501 - 1000 sqft	8.95%	750	0	-123	8438	836	118	2436	-260	11445
1001 - 2000 sqft	12.36%	1500	0	-170	11658	1154	163	1007	-359	13453
2001 - 3000 sqft	10.78%	2500	0	-148	10167	1007	142	224	-313	11078
3001 - 4000 sqft	7.55%	3500	0	-104	7117	705	100	157	-219	7755
4001 - 5000 sqft	5.82%	4500	0	-80	5490	544	77	121	-169	5982
5001-10,000 sqft	16.17%	7500	0	-222	15250	1510	213	336	-469	16618
10-15,000 sqft	32.34%	12500	0	-444	30500	3020	426	671	-939	33235
Total Requirement			*0*	*-1373*	*94298*	*9337*	*1319*	*6475*	*-2903*	107153
Total										
Total Requirement			2813	-13732	209552	233435	65926	207511	-58057	647449
1-500 sqft	6.02%	350	169	-827	12617	14055	3969	152494	-3496	178982
501 - 1000 sqft	8.95%	750	252	-1229	18752	20889	5899	243570	-5195	282938
1001 - 2000 sqft	12.36%	1500	348	-1698	25907	28859	8150	100654	-7177	155043
2001 - 3000 sqft	10.78%	2500	303	-1481	22593	25168	7108	22373	-6259	69805
3001 - 4000 sqft	7.55%	3500	212	-1036	15815	17618	4975	15661	-4382	48863
4001 - 5000 sqft	5.82%	4500	164	-800	12200	13591	3838	12081	-3380	37695
5001-10,000 sqft	16.17%	7500	455	-2221	33889	37752	10662	33559	-9389	104707
10-15,000 sqft	32.34%	12500	910	-4442	67779	75504	21323	67119	-18778	209415
Total Requirement			*2813*	*-13732*	*209552*	*233435*	*65926*	*647511*	*-58057*	1087449

ANALYSIS OF FLOORSPACE SUPPLY, DEMAND AND EXCESS/SHORTFALL, ALL HACKNEY																
	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Floorspace Supply																
Area:																
Supply Snapshot																
1-500 sqft	0	7692	621	***8313***	1305	2081	***3386***	0	300	0	***300***	0	0	***0***	3150	*15149*
501 - 1000 sqft	0	9859	5710	***15569***	7560	3307	***10867***	0	3694	1721	***5415***	0	0	***0***	0	*31851*
1001 - 2000 sqft	0	81150	32748	***113898***	30134	22851	***52985***	0	23388	27845	***51233***	0	0	***0***	0	*218116*
2001 - 3000 sqft	0	35114	20335	***55449***	13736	18188	***31924***	0	17817	17742	***35559***	0	0	***0***	0	*122932*
3001 - 4000 sqft	0	51628	24688	***76316***	1955	10523	***12478***	3624	10480	18815	***32919***	0	0	***0***	0	*121713*
4001 - 5000 sqft	9322	31382	8712	***49416***	0	18470	***18470***	0	26605	13127	***39732***	0	0	***0***	0	*107618*
5001-10,000 sqft	0	58489	47293	***105782***	0	25408	***25408***	13033	0	49283	***62316***	0	0	***0***	0	*193506*
10-15,000 sqft	0	12267	10165	***22432***	13230	10847	***24077***	0	14276	45616	***59892***	0	0	***0***	0	*106401*
TOTAL	*9322*	*287581*	*150272*	***447175***	*67920*	*111675*	***179595***	*16657*	*96560*	*174149*	***287366***	*0*	*0*	***0***	***3150***	***917286***
Assumptions on Annual Floorspace Turnover																
1-500 sqft	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1
501 - 1000 sqft	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1
1001 - 2000 sqft	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1
2001 - 3000 sqft	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1
3001 - 4000 sqft	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1
4001 - 5000 sqft	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1
5001-10,000 sqft	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1
10-15,000 sqft	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1

ANALYSIS OF FLOORSPACE SUPPLY, DEMAND AND EXCESS/SHORTFALL, ALL HACKNEY																
	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Estimated Annual Supply																
1-500 sqft	0	10230	826	*11056*	1736	2768	*4503*	0	399	0	*399*	0	0	*0*	*4190*	**20148**
501 - 1000 sqft	0	13112	7594	*20707*	10055	4398	*14453*	0	4913	2289	*7202*	0	0	*0*	*0*	**42362**
1001 - 2000 sqft	0	107930	43555	*151484*	40078	30392	*70470*	0	31106	37034	*68140*	0	0	*0*	*0*	**290094**
2001 - 3000 sqft	0	46702	27046	*73747*	18269	24190	*42459*	0	23697	23597	*47293*	0	0	*0*	*0*	**163500**
3001 - 4000 sqft	0	68665	32835	*101500*	2600	13996	*16596*	4820	13938	25024	*43782*	0	0	*0*	*0*	**161878**
4001 - 5000 sqft	12398	41738	11587	*65723*	0	24565	*24565*	0	35385	17459	*52844*	0	0	*0*	*0*	**143132**
5001-10,000 sqft	0	77790	62900	*140690*	0	33793	*33793*	17334	0	65546	*82880*	0	0	*0*	*0*	**257363**
10-15,000 sqft	0	16315	13519	*29835*	17596	14427	*32022*	0	18987	60669	*79656*	0	0	*0*	*0*	**141513**
TOTAL	12398	382483	199862	***594743***	90334	148528	***238861***	22154	128425	231618	***382197***	0	0	***0***	***4190***	**1219990**
Summary of Projected Demand																
1-500 sqft				85693			67923				17669			110	7587	178982
501 - 1000 sqft				134978			108567				27784			164	11445	282938
1001 - 2000 sqft				80346			43859				17159			226	13453	155043
2001 - 3000 sqft				40636			8816				9077			197	11078	69805
3001 - 4000 sqft				28445			6171				6354			138	7755	48863
4001 - 5000 sqft				21944			4761				4902			106	5982	37695
5001-10,000 sqft				60954			13224				13616			296	16618	104707
10-15,000 sqft				121909			26448				27232			591	33235	209415
TOTAL	***0***	***0***	***0***	***574906***	***0***	***0***	***279769***	***0***	***0***	***0***	***123792***	***0***	***0***	***1829***	***107153***	***1087449***

ANALYSIS OF FLOORSPACE SUPPLY, DEMAND AND EXCESS/SHORTFALL, ALL HACKNEY																
	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Assumed Demand by Quality																
1-500 sqft	5%	80%	15%	*100%*	20%	80%	*100%*	5%	55%	40%	100%	5%	95%	100%	100%	
501 - 1000 sqft	5%	80%	15%	*100%*	20%	80%	*100%*	5%	55%	40%	100%	5%	95%	100%	100%	
1001 - 2000 sqft	10%	80%	10%	*100%*	20%	80%	*100%*	15%	55%	30%	100%	15%	85%	100%	100%	
2001 - 3000 sqft	10%	80%	10%	*100%*	20%	80%	*100%*	15%	55%	30%	100%	15%	85%	100%	100%	
3001 - 4000 sqft	20%	75%	5%	*100%*	25%	75%	*100%*	20%	60%	20%	100%	20%	80%	100%	100%	
4001 - 5000 sqft	30%	70%	0%	*100%*	30%	70%	*100%*	30%	60%	10%	100%	30%	70%	100%	100%	
5001-10,000 sqft	30%	70%	0%	*100%*	30%	70%	*100%*	30%	60%	10%	100%	30%	70%	100%	100%	
10-15,000 sqft	40%	60%	0%	*100%*	40%	60%	*100%*	40%	50%	10%	100%	40%	60%	100%	100%	
Projected Demand by Quality																
1-500 sqft	4285	68554	12854	*85693*	13585	54339	*67923*	883	9718	7068	*17669*	6	105	*110*	*7587*	***178982***
501 - 1000 sqft	6749	107982	20247	*134978*	21713	86854	*108567*	1389	15281	11114	*27784*	8	155	*164*	*11445*	***282938***
1001 - 2000 sqft	8035	64277	8035	*80346*	8772	35087	*43859*	2574	9437	5148	*17159*	34	192	*226*	*13453*	***155043***
2001 - 3000 sqft	4064	32509	4064	*40636*	1763	7053	*8816*	1362	4992	2723	*9077*	30	168	*197*	*11078*	***69805***
3001 - 4000 sqft	5689	21334	1422	*28445*	1543	4628	*6171*	1271	3812	1271	*6354*	28	110	*138*	*7755*	***48863***
4001 - 5000 sqft	6583	15360	0	*21944*	1428	3332	*4761*	1471	2941	490	*4902*	32	75	*106*	*5982*	***37695***
5001-10,000 sqft	18286	42668	0	*60954*	3967	9257	*13224*	4085	8169	1362	*13616*	89	207	*296*	*16618*	***104707***
10-15,000 sqft	48764	73145	0	*121909*	10579	15869	*26448*	10893	13616	2723	*27232*	237	355	*591*	*33235*	***209415***
TOTAL	*102454*	*425831*	*46621*	***574906***	*63350*	*216418*	***279769***	*23927*	*67968*	*31898*	***123792***	*462*	*1367*	***1829***	***107153***	**1087449**

ANALYSIS OF FLOORSPACE SUPPLY, DEMAND AND EXCESS/SHORTFALL, ALL HACKNEY																
	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Excess/Shortfall																
1-500 sqft	-4285	-58324	-12028	***-74637***	-11849	-51571	***-63420***	-883	-9319	-7068	***-17270***	-6	-105	***-110***	-3397	**-158834**
501 - 1000 sqft	-6749	-94870	-12652	***-114271***	-11659	-82455	***-94114***	-1389	-10368	-8825	***-20582***	-8	-155	***-164***	-11445	**-240576**
1001 - 2000 sqft	-8035	43653	35520	***71138***	31306	-4695	***26611***	-2574	21669	31886	***50981***	-34	-192	***-226***	-13453	**135051**
2001 - 3000 sqft	-4064	14193	22982	***33111***	16506	17137	***33643***	-1362	18704	20874	***38216***	-30	-168	***-197***	-11078	**93695**
3001 - 4000 sqft	-5689	47331	31413	***73055***	1057	9367	***10425***	3549	10126	23753	***37428***	-28	-110	***-138***	-7755	**113015**
4001 - 5000 sqft	5815	26378	11587	***43780***	-1428	21233	***19804***	-1471	32444	16969	***47942***	-32	-75	***-106***	-5982	**105437**
5001-10,000 sqft	-18286	35122	62900	***79736***	-3967	24536	***20569***	13249	-8169	64185	***69264***	-89	-207	***-296***	-16618	**152656**
10-15,000 sqft	-48764	-56830	13519	***-92074***	7017	-1442	***5575***	-10893	5371	57946	***52425***	-237	-355	***-591***	-33235	**-67902**
TOTAL	-90056	-43348	153241	***19837***	26983	-67891	***-40907***	-1773	60457	199720	***258405***	-462	-1367	***-1829***	***-102964***	**132542**
Floorspace Supply																
Area:																
Supply Snapshot																
1-500 sqft	0	7692	621	***8313***	1305	2081	***3386***	0	300	0	***300***	0	0	***0***	3150	*15149*
501 - 1000 sqft	0	9859	5710	***15569***	7560	3307	***10867***	0	3694	1721	***5415***	0	0	***0***	0	*31851*
1001 - 2000 sqft	0	81150	32748	***113898***	30134	22851	***52985***	0	23388	27845	***51233***	0	0	***0***	0	*218116*
2001 - 3000 sqft	0	35114	20335	***55449***	13736	18188	***31924***	0	17817	17742	***35559***	0	0	***0***	0	*122932*

APPENDIX 5

ANALYSIS OF FLOORSPACE SUPPLY, DEMAND AND EXCESS/SHORTFALL, ALL HACKNEY SUB AREAS

South Shoreditch	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Estimated Annual Supply																
1-500 sqft	0	8421.6	0	*8421.56*	1735.7	2767.73	*4503.38*	0	0	0	*0*	0	0	*0*	*0*	**12925**
501 - 1000 sqft	0	13112	5732.3	*18844.8*	7061	2068.15	*9129.12*	0	2417.9	0	*2417.94*	0	0	*0*	*0*	**30392**
1001 - 2000 sqft	0	105159	37167	*142326*	38214	30391.8	*68605.39*	0	19800	1060.01	*20859.7*	0	0	*0*	*0*	**231791**
2001 - 3000 sqft	0	46702	27046	*73747.2*	15324	24190	*39514.3*	0	23697	18335.4	*42032*	0	0	*0*	*0*	**155293**
3001 - 4000 sqft	0	59528	32835	*92363.2*	2600.2	13995.6	*16595.74*	4819.9	9775.5	5794.81	*20390.2*	0	0	*0*	*0*	**129349**
4001 - 5000 sqft	6583.5	36094	11587	*54264*	0	24565.1	*24565.1*	0	35385	4730.81	*40115.5*	0	0	*0*	*0*	**118945**
5001-10,000 sqft	0	63198	31416	*94613.5*	0	14743.1	*14743.05*	8529.3	0	0	*8529.29*	0	0	*0*	*0*	**117886**
>10,000 sqft	0	16315	0	*16315.1*	0	14426.5	*14426.51*	0	0	0	*0*	0	0	*0*	*0*	**30742**
TOTAL	6583.5	348529	145783	***500895***	64935	127148	***192082.6***	13349	91074	29921	***134345***	0	0	***0***	***0***	**827323**
Projected Demand by Quality																
1-500 sqft	3472	55552	10416	*69440*	13087	52348	*65435*	722	7937	5772	*14430*	2	40	*42*	*2254*	***151601***
501 - 1000 sqft	5513	88213	16540	*110266*	20932	83728	*104659*	1141	12547	9125	*22813*	3	56	*59*	*3445*	***241242***
1001 - 2000 sqft	4921	39364	4921	*49206*	7919	31676	*39595*	1671	6129	3343	*11143*	15	86	*101*	*2799*	***102843***
2001 - 3000 sqft	1417	11334	1417	*14168*	1072	4286	*5358*	604	2215	1208	*4027*	14	78	*92*	*1878*	***25523***
3001 - 4000 sqft	2061	7728	515	*10304*	974	2922	*3897*	586	1757	586	*2929*	13	54	*67*	*1366*	***18562***
4001 - 5000 sqft	2318	5409	0	*7728*	877	2046	*2922*	659	1318	220	*2197*	15	35	*50*	*1025*	***13922***
5001-10,000 sqft	6569	15327	0	*21895*	2484	5796	*8280*	1867	3734	622	*6224*	43	100	*143*	*2903*	***39445***
>10,000 sqft	17516	26275	0	*43791*	6624	9936	*16560*	4979	6224	1245	*12447*	114	171	*285*	*5806*	***78889***
TOTAL	*43787*	*249202*	*33808*	***326797***	*53968*	*192738*	***246706***	*12228*	*41861*	*22121*	***76210***	*219*	*620*	***839***	***21475***	**672027**

South Shoreditch	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Excess/Shortfall																
1-500 sqft	-3472	-47130	-10416	***-61018***	-11351	-49581	***-60932***	-722	-7937	-5772	***-14430***	-2	-40	***-42***	-2254	**-138676**
501 - 1000 sqft	-5513	-75100	-10808	***-91421***	-13871	-81659	***-95530***	-1141	-10129	-9125	***-20395***	-3	-56	***-59***	-3445	**-210850**
1001 - 2000 sqft	-4921	65795	32246	***93120***	30295	-1284	***29011***	-1671	13671	-2283	***9717***	-15	-86	***-101***	-2799	**128948**
2001 - 3000 sqft	-1417	35368	25629	***59580***	14253	19904	***34157***	-604	21482	17127	***38005***	-14	-78	***-92***	-1878	**129770**
3001 - 4000 sqft	-2061	51800	32320	***82059***	1626	11073	***12699***	4234	8018	5209	***17461***	-13	-54	***-67***	-1366	**110787**
4001 - 5000 sqft	4265	30684	11587	***46536***	-877	22519	***21643***	-659	34067	4511	***37919***	-15	-35	***-50***	-1025	**105023**
5001-10,000 sqft	-6569	47871	31416	***72718***	-2484	8947	***6463***	6662	-3734	-622	***2306***	-43	-100	***-143***	-2903	**78441**
>10,000 sqft	-17516	-9959	0	***-27476***	-6624	4490	***-2134***	-4979	-6224	-1245	***-12447***	-114	-171	***-285***	-5806	**-48148**
TOTAL	-37203	99327	111974	***174099***	10966	-65590	***-54624***	1121	49214	7800	***58135***	-219	-620	***-839***	***-21475***	**155295**

Kingsland Basin/Kingsland Road	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Estimated Annual Supply																
1-500 sqft	0	1330	0	1330	0	0	0	0	0	0	0	0	0	0	4189.5	5520
501 - 1000 sqft	0	0	0	0	1272.8	0	1272.81	0	0	0	0	0	0	0	0	1273
1001 - 2000 sqft	0	0	1842.1	1842.05	0	0	0	0	2327.5	0	2327.5	0	0	0	0	4170
2001 - 3000 sqft	0	0	0	0	2944.6	0	2944.62	0	0	0	0	0	0	0	0	2945
3001 - 4000 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4001 - 5000 sqft	0	5644.52	0	5644.52	0	0	0	0	0	15029	15029	0	0	0	0	20674
5001-10,000 sqft	0	0	0	0	0	9074.59	9074.59	0	0	11305	11305	0	0	0	0	20380
>10,000 sqft	0	14592.8	0	14592.76	17596	0	17595.9	0	0	0	0	0	0	0	0	32189
TOTAL	0	21567.3	1842.1	23409.33	21813	9074.59	30887.9	0	2327.5	26334	28662	0	0	0	4189.5	87148
Projected Demand by Quality																
1-500 sqft	113	1811	340	*2264*	152	609	*761*	28	313	228	*570*	1	13	*14*	*505*	***4114***
501 - 1000 sqft	164	2626	492	*3282*	213	853	*1066*	40	439	319	*797*	1	19	*20*	*707*	***5873***
1001 - 2000 sqft	563	4504	563	*5630*	365	1462	*1827*	205	752	410	*1367*	5	29	*34*	*1213*	***10070***
2001 - 3000 sqft	521	4170	521	*5213*	335	1340	*1675*	188	689	376	*1253*	5	26	*31*	*1112*	***9284***
3001 - 4000 sqft	730	2736	182	*3648*	305	914	*1218*	182	547	182	*911*	5	18	*23*	*808*	***6609***
4001 - 5000 sqft	844	1970	0	*2815*	274	640	*914*	205	410	68	*683*	5	12	*17*	*606*	***5035***
5001-10,000 sqft	2344	5470	0	*7815*	777	1812	*2589*	581	1162	194	*1936*	14	34	*48*	*1718*	***14106***
>10,000 sqft	6254	9380	0	*15634*	2071	3107	*5178*	1549	1936	387	*3873*	38	57	*96*	*3436*	***28216***
TOTAL	*11534*	*32668*	*2099*	***46300***	*4493*	*10737*	***15229***	*2979*	*6248*	*2164*	***11391***	*74*	*208*	***282***	***10105***	**83307**

Kingsland Basin/Kingsland Road	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Excess/Shortfall																
1-500 sqft	-113	-481	-340	***-934***	-152	-609	***-761***	-28	-313	-228	***-570***	-1	-13	***-14***	3684	**1405**
501 - 1000 sqft	-164	-2626	-492	***-3282***	1060	-853	***207***	-40	-439	-319	***-797***	-1	-19	***-20***	-707	**-4600**
1001 - 2000 sqft	-563	-4504	1279	***-3788***	-365	-1462	***-1827***	-205	1576	-410	***961***	-5	-29	***-34***	-1213	**-5901**
2001 - 3000 sqft	-521	-4170	-521	***-5213***	2610	-1340	***1269***	-188	-689	-376	***-1253***	-5	-26	***-31***	-1112	**-6339**
3001 - 4000 sqft	-730	-2736	-182	***-3648***	-305	-914	***-1218***	-182	-547	-182	***-911***	-5	-18	***-23***	-808	**-6609**
4001 - 5000 sqft	-844	3674	0	***2830***	-274	-640	***-914***	-205	-410	14961	***14346***	-5	-12	***-17***	-606	**15638**
5001-10,000 sqft	-2344	-5470	0	***-7815***	-777	7262	***6486***	-581	-1162	11111	***9369***	-14	-34	***-48***	-1718	**6274**
>10,000 sqft	-6254	5212	0	***-1041***	15525	-3107	***12418***	-1549	-1936	-387	***-3873***	-38	-57	***-96***	-3436	**3972**
TOTAL	-11534	-11101	-257	***-22891***	17321	-1662	***15659***	-2979	-3920	24170	***17271***	-74	-208	***-282***	***-5915***	**3841**

Dalston	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Estimated Annual Supply																
1-500 sqft	0	1330	0	1330	0	0	0	0	0	0	0	0	0	0	4189.5	5520
501 - 1000 sqft	0	0	0	0	1272.8	0	1272.81	0	0	0	0	0	0	0	0	1273
1001 - 2000 sqft	0	0	1842.1	1842.05	0	0	0	0	2327.5	0	2327.5	0	0	0	0	4170
2001 - 3000 sqft	0	0	0	0	2944.6	0	2944.62	0	0	0	0	0	0	0	0	2945
3001 - 4000 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4001 - 5000 sqft	0	5644.52	0	5644.52	0	0	0	0	0	15029	15029	0	0	0	0	20674
5001-10,000 sqft	0	0	0	0	0	9074.59	9074.59	0	0	11305	11305	0	0	0	0	20380
>10,000 sqft	0	14592.8	0	14592.76	17596	0	17595.9	0	0	0	0	0	0	0	0	32189
TOTAL	0	21567.3	1842.1	23409.33	21813	9074.59	30887.9	0	2327.5	26334	28662	0	0	0	4189.5	87148
Projected Demand by Quality																
1-500 sqft	113	1807	339	*2258*	59	235	*294*	24	259	188	*471*	0	7	*8*	*692*	***3722***
501 - 1000 sqft	158	2529	474	*3161*	82	329	*411*	33	362	264	*659*	1	10	*11*	*969*	***5211***
1001 - 2000 sqft	542	4336	542	*5420*	141	564	*704*	169	621	339	*1130*	3	16	*19*	*1661*	***8933***
2001 - 3000 sqft	497	3974	497	*4968*	129	517	*646*	155	570	311	*1036*	3	15	*17*	*1522*	***8189***
3001 - 4000 sqft	723	2710	181	*3613*	117	352	*470*	151	452	151	*753*	3	10	*13*	*1107*	***5955***
4001 - 5000 sqft	813	1897	0	*2710*	106	247	*352*	169	339	56	*565*	3	7	*9*	*830*	***4467***
5001-10,000 sqft	2303	5374	0	*7678*	299	699	*998*	480	960	160	*1600*	8	19	*27*	*2353*	***12655***
>10,000 sqft	6142	9213	0	*15355*	798	1198	*1996*	1280	1600	320	*3201*	21	32	*54*	*4705*	***25311***
TOTAL	*11291*	*31840*	*2032*	***45163***	*1732*	*4139*	***5870***	*2462*	*5164*	*1789*	***9414***	*41*	*116*	***157***	***13839***	***74444***

Dalston	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Excess/Shortfall																
1-500 sqft	-113	-1807	168	***-1751***	-59	-235	***-294***	-24	-259	-188	***-471***	0	-7	***-8***	-692	**-3215**
501 - 1000 sqft	-158	-2529	308	***-2379***	-82	-329	***-411***	-33	-362	-264	***-659***	-1	-10	***-11***	-969	**-4429**
1001 - 2000 sqft	-542	-4336	-542	***-5420***	-141	-564	***-704***	-169	-621	-339	***-1130***	-3	-16	***-19***	-1661	**-8933**
2001 - 3000 sqft	-497	-1204	-497	***-2197***	-129	-517	***-646***	-155	-570	-311	***-1036***	-3	-15	***-17***	-1522	**-5418**
3001 - 4000 sqft	-723	-2710	-181	***-3613***	-117	-352	***-470***	-151	-452	-151	***-753***	-3	-10	***-13***	-1107	**-5955**
4001 - 5000 sqft	-813	-1897	0	***-2710***	-106	-247	***-352***	-169	-339	-56	***-565***	-3	-7	***-9***	-830	**-4467**
5001-10,000 sqft	-2303	-5374	0	***-7678***	-299	-699	***-998***	-480	-960	-160	***-1600***	-8	-19	***-27***	-2353	**-12655**
>10,000 sqft	-6142	-9213	0	***-15355***	-798	-1198	***-1996***	-1280	-1600	-320	***-3201***	-21	-32	***-54***	-4705	**-25311**
TOTAL	-11291	-29069	-744	***-41103***	-1732	-4139	***-5870***	-2462	-5164	-1789	***-9414***	-41	-116	***-157***	***-13839***	**-70384**

Hackney Central	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Estimated Annual Supply																
1-500 sqft	0	0	319.2	319.2	0	0	0	0	399	0	399	0	0	0	0	718
501 - 1000 sqft	0	0	0	0	790	2330.16	3120.18	0	2495.08	1228.92	3724	0	0	0	0	6844
1001 - 2000 sqft	0	0	2650.69	2650.7	0	0	0	0	1610.63	10564.2	12174.82	0	0	0	0	14826
2001 - 3000 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3001 - 4000 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4001 - 5000 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5001-10,000 sqft	0	0	23695.3	23695	0	0	0	0	0	10307.5	10307.5	0	0	0	0	34003
>10,000 sqft	0	0	13519.5	13519	0	0	0	0	18987.1	0	18987.08	0	0	0	0	32507
TOTAL	0	0	40184.6	40185	790	2330.16	3120.18	0	23491.8	22100.6	45592.4	0	0	0	0	88897
Projected Demand by Quality																
1-500 sqft	79	1258	236	*1572*	53	212	*265*	18	195	142	*355*	0	9	*9*	*467*	***2669***
501 - 1000 sqft	110	1761	330	*2201*	74	297	*371*	25	273	199	*497*	1	12	*13*	*653*	***3736***
1001 - 2000 sqft	377	3019	377	*3774*	127	509	*637*	128	469	256	*852*	3	18	*22*	*1120*	***6405***
2001 - 3000 sqft	346	2767	346	*3459*	117	467	*584*	117	430	234	*781*	3	17	*20*	*1027*	***5871***
3001 - 4000 sqft	503	1887	126	*2516*	106	318	*425*	114	341	114	*568*	3	11	*14*	*747*	***4270***
4001 - 5000 sqft	566	1321	0	*1887*	96	223	*318*	128	256	43	*426*	3	8	*11*	*560*	***3202***
5001-10,000 sqft	1604	3742	0	*5346*	271	631	*902*	362	724	121	*1207*	9	21	*31*	*1587*	***9073***
>10,000 sqft	4277	6415	0	*10692*	722	1083	*1804*	966	1207	241	*2415*	24	37	*61*	*3174*	***18146***
TOTAL	*7862*	*22171*	*1415*	***31448***	*1565*	*3741*	***5306***	*1857*	*3896*	*1349*	***7102***	*47*	*133*	***180***	***9334***	***53371***

Hackney Central	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Excess/Shortfall																
1-500 sqft	-79	-1258	83	***-1253***	-53	-212	***-265***	-18	204	-142	***44***	0	-9	***-9***	-467	**-1950**
501 - 1000 sqft	-110	-1761	-330	***-2201***	716	2033	***2749***	-25	2222	1030	***3227***	-1	-12	***-13***	-653	**3108**
1001 - 2000 sqft	-377	-3019	2273	***-1123***	-127	-509	***-637***	-128	1142	10309	***11323***	-3	-18	***-22***	-1120	**8421**
2001 - 3000 sqft	-346	-2767	-346	***-3459***	-117	-467	***-584***	-117	-430	-234	***-781***	-3	-17	***-20***	-1027	**-5871**
3001 - 4000 sqft	-503	-1887	-126	***-2516***	-106	-318	***-425***	-114	-341	-114	***-568***	-3	-11	***-14***	-747	**-4270**
4001 - 5000 sqft	-566	-1321	0	***-1887***	-96	-223	***-318***	-128	-256	-43	***-426***	-3	-8	***-11***	-560	**-3202**
5001-10,000 sqft	-1604	-3742	23695	***18349***	-271	-631	***-902***	-362	-724	10187	***9100***	-9	-21	***-31***	-1587	**24930**
>10,000 sqft	-4277	-6415	13519	***2827***	-722	-1083	***-1804***	-966	17780	-241	***16572***	-24	-37	***-61***	-3174	**14360**
TOTAL	-7862	-22171	38769	***8736***	-775	-1411	***-2186***	-1857	19596	20751	***38490***	-47	-133	***-180***	***-9334***	**35526**

Hackney Wick	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Estimated Annual Supply																
1-500 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
501 - 1000 sqft	0	0	0	0	931	0	931	0	0	0	0	0	0	0	0	931
1001 - 2000 sqft	0	0	0	0	0	0	0	0	0	1979.04	1979.04	0	0	0	0	1979
2001 - 3000 sqft	0	0	0	0	0	0	0	0	0	3738.63	3738.63	0	0	0	0	3739
3001 - 4000 sqft	0	0	0	0	0	0	0	0	4162.9	0	4162.9	0	0	0	0	4163
4001 - 5000 sqft	0	0	0	0	0	0	0	0	0	6153.91	6153.91	0	0	0	0	6154
5001-10,000 sqft	0	0	0	0	0	0	0	0	0	55238.9	55238.89	0	0	0	0	55239
>10,000 sqft	0	0	0	0	0	0	0	0	0	42335.2	42335.23	0	0	0	0	42335
TOTAL	0	0	0	0	931	0	931	0	4162.9	109446	113608.6	0	0	0	0	114540
Projected Demand by Quality																
1-500 sqft	98	1567	294	*1958*	-2	-7	*-9*	19	204	148	*370*	1	13	*14*	*964*	***3297***
501 - 1000 sqft	137	2193	411	*2742*	-2	-10	*-12*	26	285	207	*518*	1	18	*19*	*1349*	***4616***
1001 - 2000 sqft	470	3760	470	*4700*	-4	-17	*-21*	133	489	267	*889*	5	28	*33*	*2313*	***7914***
2001 - 3000 sqft	431	3446	431	*4308*	-4	-16	*-20*	122	448	244	*815*	5	26	*31*	*2121*	***7254***
3001 - 4000 sqft	627	2350	157	*3133*	-4	-11	*-14*	118	355	118	*592*	4	18	*22*	*1542*	***5276***
4001 - 5000 sqft	705	1645	0	*2350*	-3	-7	*-11*	133	267	44	*444*	5	12	*17*	*1157*	***3957***
5001-10,000 sqft	1997	4661	0	*6658*	-9	-21	*-30*	378	755	126	*1259*	14	33	*47*	*3277*	***11211***
>10,000 sqft	5326	7990	0	*13316*	-24	-36	*-60*	1007	1259	252	*2518*	38	57	*94*	*6555*	***22422***
TOTAL	*9791*	*27611*	*1762*	***39164***	*-52*	*-125*	***-177***	*1936*	*4062*	*1407*	***7405***	*73*	*205*	***278***	***19278***	**65948**

Hackney Wick	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Excess/Shortfall																
1-500 sqft	-98	-1567	-294	***-1958***	2	7	***9***	-19	-204	-148	***-370***	-1	-13	***-14***	-964	**-3297**
501 - 1000 sqft	-137	-2193	-411	***-2742***	933	10	***943***	-26	-285	-207	***-518***	-1	-18	***-19***	-1349	**-3685**
1001 - 2000 sqft	-470	-3760	-470	***-4700***	4	17	***21***	-133	-489	1712	***1090***	-5	-28	***-33***	-2313	**-5935**
2001 - 3000 sqft	-431	-3446	-431	***-4308***	4	16	***20***	-122	-448	3494	***2924***	-5	-26	***-31***	-2121	**-3516**
3001 - 4000 sqft	-627	-2350	-157	***-3133***	4	11	***14***	-118	3807	-118	***3570***	-4	-18	***-22***	-1542	**-1113**
4001 - 5000 sqft	-705	-1645	0	***-2350***	3	7	***11***	-133	-267	6109	***5710***	-5	-12	***-17***	-1157	**2197**
5001-10,000 sqft	-1997	-4661	0	***-6658***	9	21	***30***	-378	-755	55113	***53980***	-14	-33	***-47***	-3277	**44028**
>10,000 sqft	-5326	-7990	0	***-13316***	24	36	***60***	-1007	-1259	42083	***39817***	-38	-57	***-94***	-6555	**19913**
TOTAL	-9791	-27611	-1762	***-39164***	983	125	***1108***	-1936	101	108039	***106203***	-73	-205	***-278***	***-19278***	**48591**

Rest of Hackney	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Estimated Annual Supply																
1-500 sqft	0	478.8	0	478.8	0	0	0	0	0	0	0	0	0	0	0	479
501 - 1000 sqft	0	0	1079.96	1080	0	0	0	0	0	0	0	0	0	0	0	1080
1001 - 2000 sqft	0	0	1895.25	1895.3	1864.66	0	1864.7	0	7368.2	6155.24	13523	0	0	0	0	17283
2001 - 3000 sqft	0	0	0	0	0	0	0	0	0	14063.4	14063	0	0	0	0	14063
3001 - 4000 sqft	0	9137.1	0	9137.1	0	0	0	0	0	5264.14	5264.1	0	0	0	0	14401
4001 - 5000 sqft	5815	0	0	5814.8	0	0	0	0	0	0	0	0	0	0	0	5815
5001-10,000 sqft	0	0	7788.48	7788.5	0	0	0	8804.6	0	0	8804.6	0	0	0	0	16593
>10,000 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	5815	9615.9	10763.7	26194	1864.66	0	1864.7	8804.6	7368.2	25482.8	41656	0	0	0	0	69715
Projected Demand by Quality																
1-500 sqft	163	2608	489	*3260*	44	177	*221*	21	235	171	*427*	0	1	*1*	*1143*	***5051***
501 - 1000 sqft	228	3651	685	*4564*	62	247	*309*	30	329	239	*598*	0	1	*1*	*1600*	***7072***
1001 - 2000 sqft	782	6259	782	*7823*	106	424	*530*	154	564	308	*1025*	0	2	*2*	*2743*	***12123***
2001 - 3000 sqft	717	5737	717	*7171*	97	388	*485*	141	517	282	*940*	0	2	*2*	*2514*	***11113***
3001 - 4000 sqft	1043	3912	261	*5216*	88	265	*353*	137	410	137	*683*	0	1	*1*	*1829*	***8082***
4001 - 5000 sqft	1174	2738	0	*3912*	79	185	*265*	154	308	51	*513*	0	1	*1*	*1371*	***6061***
5001-10,000 sqft	3325	7758	0	*11083*	225	525	*750*	436	871	145	*1452*	1	2	*3*	*3886*	***17174***
>10,000 sqft	8867	13300	0	*22166*	600	900	*1500*	1162	1452	290	*2905*	2	3	*6*	*7771*	***34348***
TOTAL	*16299*	*45963*	*2934*	***65195***	*1302*	*3111*	***4413***	*2234*	*4686*	*1623*	***8543***	*4*	*12*	***17***	***22857***	**101024**

Rest of Hackney	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Excess/Shortfall																
1-500 sqft	-163	-2129	-489	***-2781***	-44	-177	***-221***	-21	-235	-171	***-427***	0	-1	***-1***	-1143	**-4572**
501 - 1000 sqft	-228	-3651	395	***-3484***	-62	-247	***-309***	-30	-329	-239	***-598***	0	-1	***-1***	-1600	**-5992**
1001 - 2000 sqft	-782	-6259	1113	***-5928***	1759	-424	***1335***	-154	6804	5848	***12498***	0	-2	***-2***	-2743	**5160**
2001 - 3000 sqft	-717	-5737	-717	***-7171***	-97	-388	***-485***	-141	-517	13782	***13124***	0	-2	***-2***	-2514	**2951**
3001 - 4000 sqft	-1043	5225	-261	***3921***	-88	-265	***-353***	-137	-410	5127	***4581***	0	-1	***-1***	-1829	**6319**
4001 - 5000 sqft	4641	-2738	0	***1903***	-79	-185	***-265***	-154	-308	-51	***-513***	0	-1	***-1***	-1371	**-247**
5001-10,000 sqft	-3325	-7758	7788	***-3295***	-225	-525	***-750***	8369	-871	-145	***7352***	-1	-2	***-3***	-3886	**-581**
>10,000 sqft	-8867	-13300	0	***-22166***	-600	-900	***-1500***	-1162	-1452	-290	***-2905***	-2	-3	***-6***	-7771	**-34348**
TOTAL	-10484	-36347	7830	***-39001***	563	-3111	***-2548***	6571	2682	23860	***33113***	-4	-12	***-17***	***-22857***	**-31309**

Other Main Employment Areas	Use															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Estimated Annual Supply																
1-500 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
501 - 1000 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1001 - 2000 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2001 - 3000 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3001 - 4000 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4001 - 5000 sqft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5001-10,000 sqft	0	0	0	0	0	9975	9975	0	0	0	0	0	0	0	0	9975
>10,000 sqft	0	0	0	0	0	0	0	0	0	18334.1	18334.1	0	0	0	0	18334
TOTAL	0	0	0	0	0	9975	9975	0	0	18334.1	18334.1	0	0	0	0	28309
Projected Demand by Quality																
1-500 sqft	53	842	158	*1052*	24	97	*122*	10	105	76	*191*	0	5	*6*	*514*	***1884***
501 - 1000 sqft	74	1178	221	*1473*	34	136	*170*	13	147	107	*267*	0	7	*8*	*719*	***2637***
1001 - 2000 sqft	252	2020	252	*2525*	58	234	*292*	69	251	137	*457*	2	11	*13*	*1233*	***4521***
2001 - 3000 sqft	231	1852	231	*2314*	54	214	*268*	63	231	126	*419*	2	11	*12*	*1131*	***4144***
3001 - 4000 sqft	337	1262	84	*1683*	49	146	*195*	61	183	61	*305*	2	7	*9*	*822*	***3014***
4001 - 5000 sqft	379	884	0	*1262*	44	102	*146*	69	137	23	*229*	2	5	*7*	*617*	***2261***
5001-10,000 sqft	1073	2504	0	*3577*	124	290	*414*	194	389	65	*648*	6	13	*19*	*1747*	***6405***
>10,000 sqft	2861	4292	0	*7154*	331	497	*828*	518	648	130	*1295*	15	23	*38*	*3495*	***12810***
TOTAL	*5260*	*14833*	*947*	***21040***	*718*	*1716*	***2434***	*996*	*2090*	*724*	***3810***	*29*	*83*	***112***	***10278***	**37675**

Other Main Employment Areas	**Use**															
	B1a				B1b			B1c				B2				
	Offices new	Offices second-hand high standard	Offices older low-cost	Sub Total	Studio/R&D	Flexible	Sub Total	Light Industrial new	Light Industrial second-hand high standard	Light Industrial older low-cost	Sub Total	General industrial new	General industrial second-hand	Sub Total	B8 Warehousing and Storage	Total
Excess/Shortfall																
1-500 sqft	-53	-842	-158	***-1052***	-24	-97	***-122***	-10	-105	-76	***-191***	0	-5	***-6***	-514	**-1884**
501 - 1000 sqft	-74	-1178	-221	***-1473***	-34	-136	***-170***	-13	-147	-107	***-267***	0	-7	***-8***	-719	**-2637**
1001 - 2000 sqft	-252	-2020	-252	***-2525***	-58	-234	***-292***	-69	-251	-137	***-457***	-2	-11	***-13***	-1233	**-4521**
2001 - 3000 sqft	-231	-1852	-231	***-2314***	-54	-214	***-268***	-63	-231	-126	***-419***	-2	-11	***-12***	-1131	**-4144**
3001 - 4000 sqft	-337	-1262	-84	***-1683***	-49	-146	***-195***	-61	-183	-61	***-305***	-2	-7	***-9***	-822	**-3014**
4001 - 5000 sqft	-379	-884	0	***-1262***	-44	-102	***-146***	-69	-137	-23	***-229***	-2	-5	***-7***	-617	**-2261**
5001-10,000 sqft	-1073	-2504	0	***-3577***	-124	9685	***9561***	-194	-389	-65	***-648***	-6	-13	***-19***	-1747	**3570**
>10,000 sqft	-2861	-4292	0	***-7154***	-331	-497	***-828***	-518	-648	18205	***17039***	-15	-23	***-38***	-3495	**5524**
TOTAL	-5260	-14833	-947	***-21040***	-718	8259	***7541***	-996	-2090	17610	***14524***	-29	-83	***-112***	***-10278***	**-9366**