



**CUSHMAN &
WAKEFIELD**

Lordship Lane, Wood Green: Socio-Economic Benefit Statement

REPORT UPDATE

Atri7 2 Limited

February 2024

Contents

1.0	Introduction	1
2.0	Socio-Economic Profile	4
3.0	Estimation of Quantitative Socio-Economic Benefits	9
4.0	Qualitative Socio-Economic Benefits	16
5.0	Summary and Conclusions	19

Disclaimer

This report should not be relied upon as a basis for entering into transactions without seeking specific, qualified, professional advice. Whilst facts have been rigorously checked, Cushman & Wakefield can take no responsibility for any damage or loss suffered as a result of any inadvertent inaccuracy within this report. Information contained herein should not, in whole or part, be published, reproduced or referred to without prior approval. Any such reproduction should be credited to Cushman & Wakefield.

C&W is currently seeing significant variation in tendered build costs across all sectors driven by supply chain shortages affecting the construction industry. As a result, the build cost assumptions that have been applied in this appraisal/assessment are susceptible to short term changes. As a matter of prudence we recommend that where not already provided, sensitivities should be examined to test the effects of such variations and that further advice should be sought to market test such cost assumptions to inform decision making and prior to any investment commitments. It is also recommended that changes in build costs are closely monitored and the impacts on development viability kept under review.

1.0 Introduction

- 1.1 Fusion Student Group (Atri7 2 Ltd) is currently in the process of preparing a planning application to Haringey Council to deliver a Purpose Built Student Accommodation (PBSA) and affordable housing scheme with supporting ground floor employment generating uses and public spaces on a site currently occupied by Mecca Bingo and a car park on the southern side of Lordship Lane within the eastern part of Wood Green Town Centre.

The Subject Site

- 1.2 The subject site is situated at 707-725 Lordship Lane in Wood Green, London (N22 5JY). It currently comprises a single, broadly rectangular parcel of land extending to c.2.16 acres (0.86 hectares), primarily accessed from and fronting onto Lordship Lane (A109) with a secondary gated access off Wellesley Road to the south west of the site.
- 1.3 Located on the eastern edge of Wood Green Town Centre, the site benefits from excellent nearby public transport via Wood Green Underground Station on the Piccadilly Line (0.1 miles - 3 minute walk) and the town's local bus services. Additionally, there is a bus stop located on Lordship Lane directly opposite the site with regular services to Tottenham and Edmonton. Residential uses, including the Noel Park Estate, surround the site to the north, south and east.
- 1.4 The majority of the site is taken up by a two storey rectangular 1980s building totalling in the order of 40,000 sq ft (3,716 sq m) and currently occupied by Mecca Bingo Limited who have a lease on the site from 29 September 2021 to 28 September 2026 and currently employs 30 people; 7 full-time and 23 part-time. The remainder of the site comprises underutilised surface car parking to the west and south with capacity for c.140 vehicles.

Figure 1.1 The Subject Site



Source: CBRE Marketing Particulars

- 1.5 The existing two storey building offers little architectural merit with it being of masonry construction of moderate quality. Whilst ageing, the building does not appear to be in a state of disrepair however would require investment to become a modern facility/improve its energy efficiency standards. The land and premises are relatively underutilised for a town centre site and therefore the social and economic benefits to the local area are not maximised.

- 1.6 In light of this, the site is identified as an 'Opportunity Site for Regeneration' (Ref SA9) in the London Borough of Haringey's adopted Site Allocations DPD (2017) which considers the site to be an underutilised opportunity in a highly accessible town centre location with scope for a comprehensive residential led redevelopment of c.191 dwellings and 1,484 sqm of town centre uses.

Proposed Development

- 1.7 The development proposed for the Lordship Lane site comprises:
- Demolition and clearance of the existing bingo hall.
 - 623 purpose built student accommodation (PBSA) beds within a courtyard block fronting onto Lordship Lane.
 - 77 new affordable homes across a mix of 70 apartments for shared ownership and social rent ranging in size from 1 bed 2 person units to 3 bed 5 person units plus 7 x 5 bed 8 person town houses for social rent extending along Wellesley Street.
 - 796 sqm (GIA) of ground floor employment generating floorspace to the PBSA block with the flexibility to accommodate a mix of 'town centre' uses aligned to the Local Plan allocation e.g. café, workspace, community hub etc.
 - Creation of new public green space with play and social areas in the north west portion of the site together with new public realm connections between Lordship Lane and Wellesley Street.

Figure 1.2 Lordship Lane Development Proposals



-  **BUILDING A**
PBSA & Town Centre Use
-  **BUILDING B**
Shared Ownership
-  **BUILDING C**
Social Rent
-  **BUILDING D**
Social Rent

Source: Corstorphine & Wright Architects

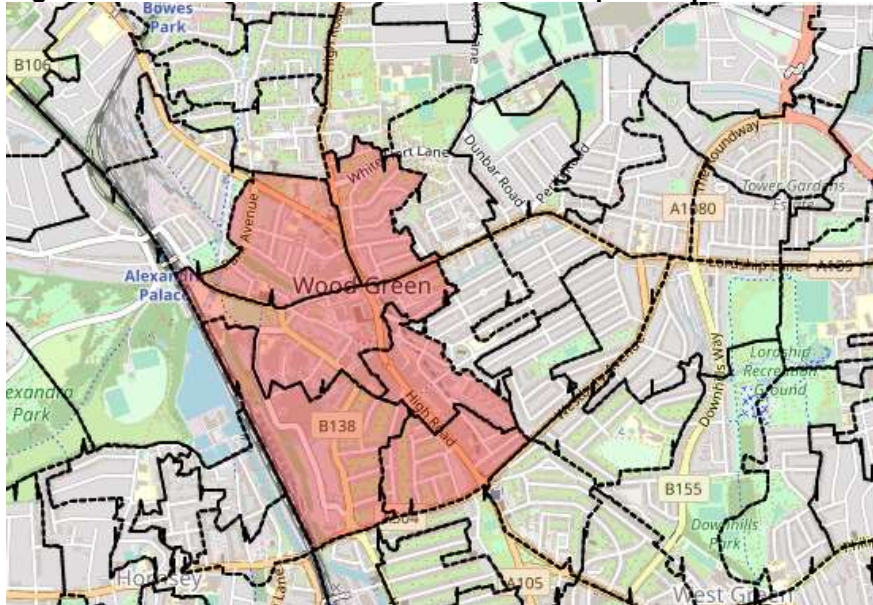
Purpose of this Paper

- 1.8 The proposed redevelopment scheme has the ability to play an important role in the evolution of this area of Wood Green Town Centre, bringing additional socio-economic benefits to the local community. Following on from pre-application discussions with Haringey Council, this paper considers the existing employment use at the site and provides a Socio-Economic Benefit Statement of the anticipated uplift in quantitative and qualitative socio-economic benefits likely to accrue from the delivery of the type and quantum of development proposed at the Lordship Lane site to support the submission of the emerging planning application.
- 1.9 The remainder of this paper is structured as follows:
- **Section 2: Socio-Economic Profile** - establishes the baseline socio-economic status of the site and its local and wider context
 - **Section 3: Estimation of Quantitative Socio-Economic Benefits** - provides analysis and estimation of the quantitative benefits likely to accrue from the construction and operational phase of the proposed development in relation to housing, jobs, productivity and financial contributions
 - **Section 4: Qualitative Socio-Economic Benefits** - sets out the potential qualitative physical, social and economic benefits of redevelopment to the local area and beyond
 - **Section 5: Summary and Conclusions** - brings together the findings of the analysis into a succinct set of socio-economic benefits.

2.0 Socio-Economic Profile

- 2.1 The current socio-economic status of the site and its local and wider context represent the baseline conditions against which the scale and significance of the socio-economic impacts of the proposed development can be established and assessed. The baseline position of each of the potential socio-economic impacts identified within the scope of assessment is considered in turn within this section.
- 2.2 For the purposes of this analysis, there is not anticipated to be any change in the baseline conditions of the site between now and the anticipated start on site in September 2025 i.e. Mecca Bingo will continue to trade from the existing premises up until this point. Benchmark comparisons are made to Wood Green Town Centre (based on LSOAs identified in Figure 2.1), the Borough of Haringey, London and nationally where data is available and applicable.

Figure 2.1 Wood Green Town Centre Lower Super Output Areas

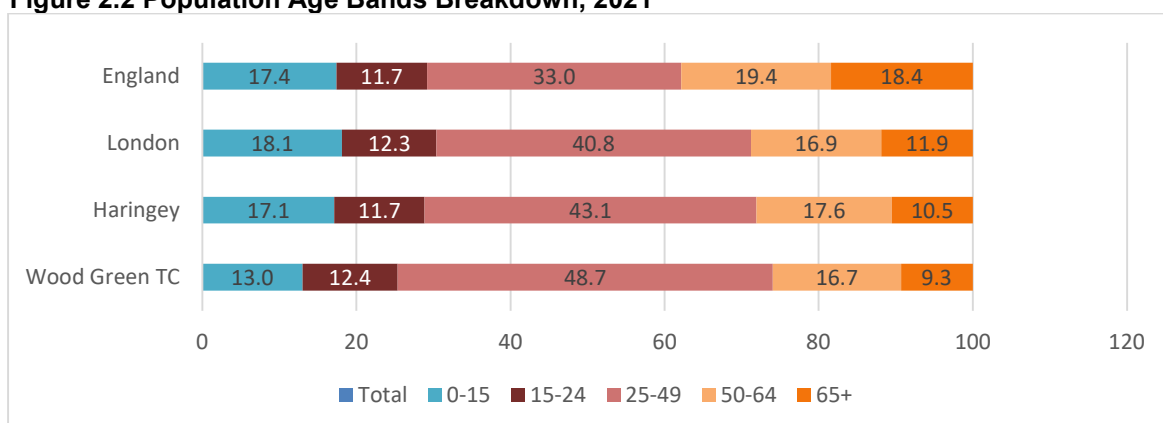


Source: Census 2021

Population

- 2.3 The site currently comprises a commercial leisure unit and car park and as such has no population. The latest Census (2021) provides data on population and age structure within each of the study areas. The data indicates a resident population of 10,929 people at this time within Wood Green Town Centre, equating to 4.1% of Haringey's total population (264,240).
- 2.4 The population of Wood Green Town Centre increased by 5.9% (614 people) since the previous 2011 Census, a notably higher growth rate than that of Haringey over the same time period (3.6%), but lower than the wider London and England growth rates of 7.6% and 6.6% respectively.
- 2.5 The majority of Wood Green's population (77.8%) is made up of working age residents (16-64 years). This compares favourably to that of Haringey (72.4%) and London (70%), and is significantly higher than that of England (64.1%) and is reflective of Wood Green's role as a local economic driver in terms of employees.
- 2.6 Of particular relevance to the proposed development, and demonstrating the importance of London as a destination for higher education, is the relatively higher proportion of the resident population within the 15-24 year old age bracket within Wood Green (12.4%) and London (12.3%) compared to the national average (11.7%).

Figure 2.2 Population Age Bands Breakdown, 2021



Source: Census, 2021

- 2.7 Looking at ONS Population Projections, the population of Haringey (lowest level of data available) is forecast to increase by 5.6% between 2018-2043, whilst London's population increases by the higher rate of 10.1% and England's by 10.3%. Within this overall growth, the population of 16-24 year olds is forecast to decrease by 4.7% compared to forecast increases in both London and England of 5.1% and 3.9% respectively. The proposed development is anticipated to be completed by April 2028 and therefore accepting of students in Summer 2028, and can therefore help to combat the forecasted decrease of the younger population and provide residents who will be highly qualified and seeking employment opportunities during their studies and beyond.

Housing Provision

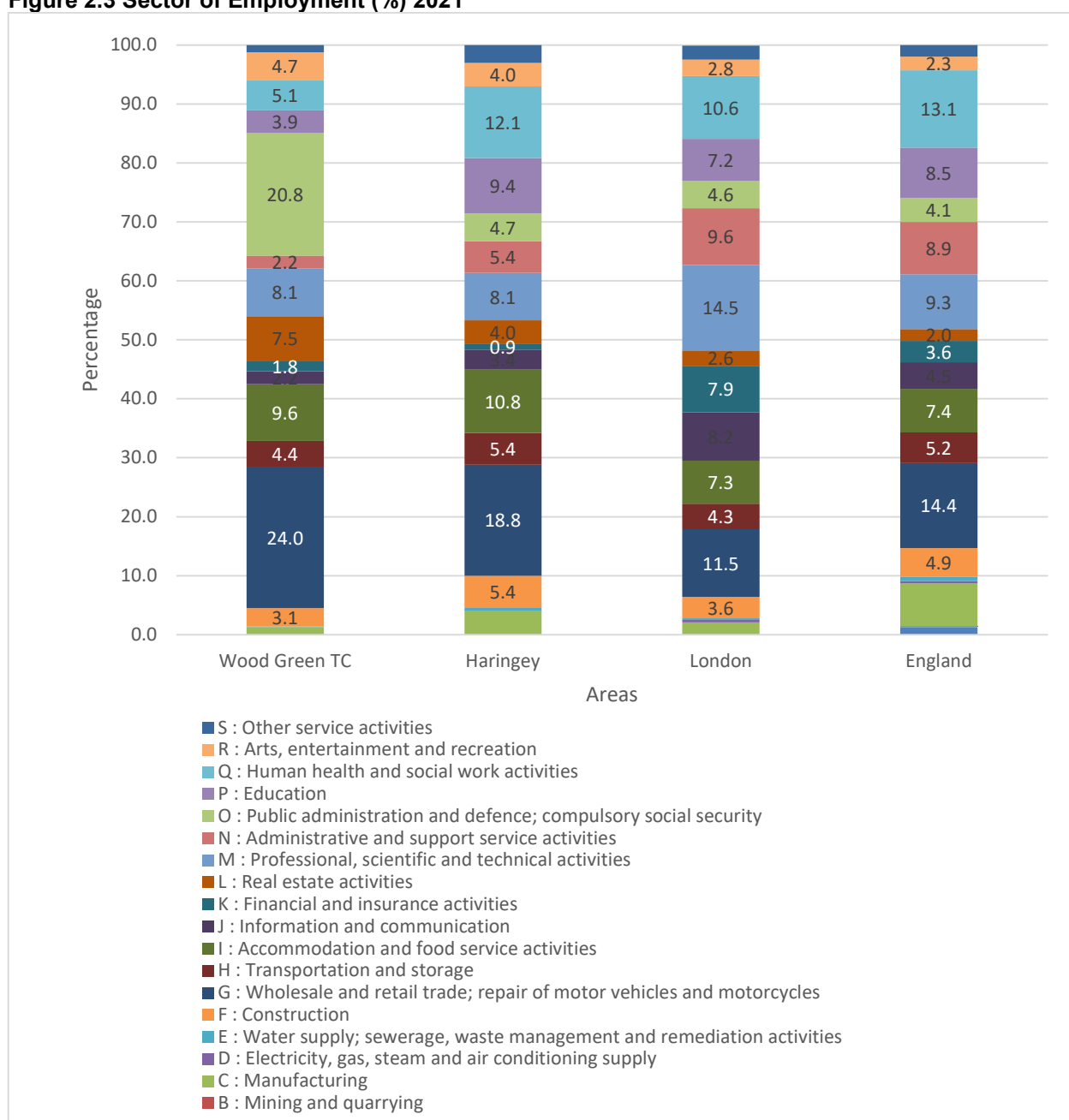
- 2.8 The brownfield site is occupied by a bingo hall and car park and as such currently provides no housing. At the time of the 2021 Census there were 4,404 households within Wood Green. Reflecting the urban location, the majority of these were private rented (41%) compared to 36% across the wider Haringey Borough. Whilst rental trends continue throughout the UK of an increased number of people choosing/ being forced into renting than buying in light of the struggle of accessibility to mortgages and interest rate rises, the local tenure composition differs to comparator areas where owner occupation is dominant - 37% in Haringey; 45.2% across London and 61.3% in England. Owner occupation in Wood Green was just 28% in 2021 and is likely to be reflective of challenges associated with local affordability.
- 2.9 The provision of shared ownership and socially rented affordable housing within the proposed development will contribute to this baseline position of a higher proportion of rented properties than owner occupiers. These tenures currently account for 3% and 29% of households in Wood Green respectively - similar to the Haringey compositions (2% and 25%).

Economic Activity and Employment

- 2.10 The scale of the potential labour force can be measured by the proportion of the population who are economically active. This group includes all those who are in employment, including self-employed, or unemployed but actively seeking work. Those who are economically inactive are not seeking employment for a variety of reasons.
- 2.11 The 2021 Census data indicates that 64% of Wood Green's working age population are economically active and positively 93% of these economically active are in employment. This is in line with the benchmarks for Haringey (93%), London (94%) and England (95%). Those in employment may be employed locally or travelling outside the Borough for work and therefore providing more employment opportunities locally within the proposed development will help to retain those in Wood Green and provide opportunities for new residents moving in.

- 2.12 The Census also identifies the industry of those in employment. As of 2021, a total of 10,110 were in employment in Wood Green with the most significant sector of employment at almost a quarter (24.0%) of jobs being within the wholesale and retail trade sector, compared to 18.8% across Haringey and 11.5% in London. This is likely to be largely accounted for by retail employment within Wood Green Town Centre. The new student population at the proposed development would likely be looking for part-time employment opportunities within this sector.
- 2.13 Just over a fifth of those in employment (20.8%) in Wood Green is in Public Administration, a much higher proportion than the wider benchmark averages, reflective of the town being the administrative centre of Haringey Council.
- 2.14 Construction workers account for 3.1% of those in employment within Wood Green, a slightly lower proportion than that of comparator areas. The proposed development will generate temporary construction jobs contributing to this figure.

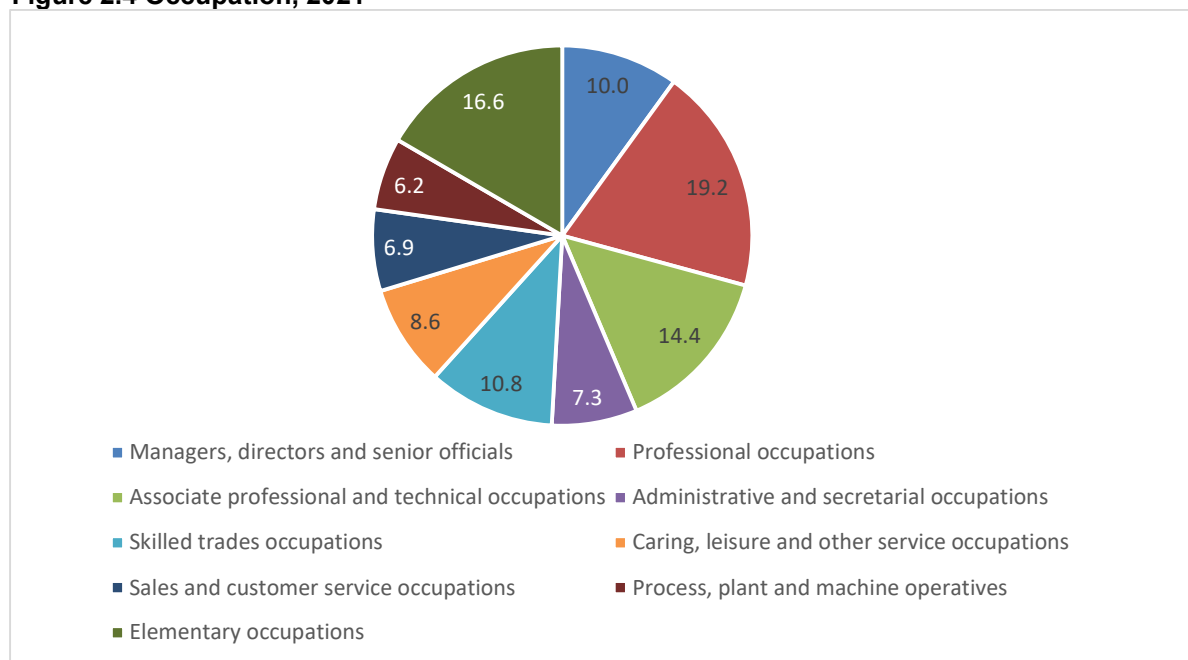
Figure 2.3 Sector of Employment (%) 2021



Source: Business Register and Employment Survey, 2021

- 2.15 Almost a fifth (19.2%) of Wood Green residents were employed in professional occupations in 2021. This is the dominant category within London however accounting for a lower proportion of population (14.5%). These occupations typically require degree level qualifications, therefore showing the current population as being highly educated and which a new student population, once qualified, would be adding to. An area with a highly educated population would attract additional business to the area and more employment opportunities.

Figure 2.4 Occupation, 2021



Source: Census, 2021

Deprivation

- 2.16 The Index of Multiple Deprivation (IMD) indicates that the 6 LSOA's within Wood Green Town Centre are within the 40% most deprived in the country, with the area around Noel Park Road/ Pelham Road, south west of the study site, being within the 10% most deprived nationally. Levels of crime in the area are also high with 4 of the LSOA's calculated within the top 10% worst areas for crime in the UK. The new Lordship Lane development has the opportunity to positively provide safe public spaces for new and existing residents to enjoy and also contribute to improving the outdoor living environment as the area is calculated as within the top 30% for highest living environment deprivation in the UK. Additionally, as discussed later, incorporating Secured by Design standards will also help to 'design out' crime in the form of appropriate lighting, natural surveillance, active frontages and CCTV.

Page | 8

3.0 Estimation of Quantitative Socio-Economic Benefits

Construction Phase

- 3.1 The construction phase of the proposed development will generate a number of temporary social and economic benefits, including construction employment and productivity.

Construction Employment

- 3.2 Whilst construction jobs are transitory in nature and therefore not a permanent project output, the jobs created and safeguarded within the sector during construction will have positive economic benefits.
- 3.3 The estimation of construction jobs has been calculated based upon the anticipated capital costs of construction, then applying a relevant labour coefficient based upon regional employee turnover within the construction sector to arrive at the gross direct employment that could be supported across the anticipated development programme.
- 3.4 Feasibility Estimate (February 2024) by Gardiner & Theobald provide an overall construction cost of £101,000,000 for the proposed development. This has been divided by the average annual turnover per employee in the London construction sector (£220,100) based on ONS Business Population Estimates (2023) to provide an estimated number of jobs directly created by the proposed development if it were to be completed in a single year - 559 jobs FTE jobs years. Dividing this figure by the anticipated 2.5 year (130 week) construction period equates to a total of **184 FTE gross construction jobs per annum** over the build programme. This represents an average annual employment figure given that the nature and scale of construction jobs required will vary over the course of the development programme.
- 3.5 The gross estimated construction jobs have been adjusted to reflect factors of additionality including leakage, displacement and deadweight as well as multiplier impacts, to estimate the total net additional local economic impact at a Haringey level. Such considerations are applied in line with Homes and Communities Agency Additionality Guide (4th Addition) and DLUHC Appraisal Guide (2023).
- 3.6 Given the positioning of the proposed development relative to the administrative boundary, and the good accessibility of the site, leakage effects are considered medium to high for construction jobs (50%) at the Haringey scale. Displacement is assessed as low at 20%. A composite multiplier of 1.29 has been applied to account for indirect employment effects generated as a result of supply chain linkages and local spend during the construction period. This adjustment generates a total 237 net additional construction job years equating to **95 net additional FTE jobs per annum** during the 2.5 year construction programme.
- 3.7 Fusion has confirmed that during the construction phase of their previous Sheffield and Swansea student accommodation schemes in the order of 230 to 280 employees were on site at the height of their delivery, albeit these schemes delivered a slightly higher number of PBSA rooms at 864 and 780 in Sheffield and Swansea respectively, but in contrast did not provide any market or affordable housing. As such, the above estimates appear reasonable accounting for the fact that construction workers on site will vary considerably across the build programme, and a gross average of 184 FTE each day could account for this. However, this may also represent a conservative estimation of the actual construction employment that could be supported on site.

- 3.8 The Business Register and Employment Survey data discussed in section 2.14 identified 315 jobs in construction in Wood Green Town Centre and 4,000 jobs in Haringey in 2021, representing 5.4% of the district's total jobs. The construction jobs generated by the Proposed Development will temporarily uplift this figure by 30% in Wood Green and 2% in Haringey for the two and a half years of development, but recognising that some of these jobs will replace those on current construction schemes and/or include jobs from outside of the district area. Further, unemployment rates within Haringey were relatively high compared to the wider benchmark averages. The construction employment could positively support some of this cohort into paid work during the build period.

Economic Productivity

- 3.9 Gross Value Added (GVA) is a measure that quantifies the economic contribution generated by the production of goods and services to an economy, industrial sector or location. It represents the 'value add' above the costs of production or consumption.
- 3.10 The construction phase of the Lordship Lane scheme will contribute to the economy in the form of GVA. Construction GVA output per job of £85,979 is assumed based on 2020 ONS output per job data for the construction industry at the London region uplifted using the GDP deflator to 2023/24 prices. Applying this to the estimated 95 net additional construction jobs provides an estimated **£8.2 million GVA per annum** generated into the London economy over the two and a half year construction phase.

Operational Phase - Housing Benefits

- 3.11 The longer-term operational phase impacts generated following completion and occupation of the proposed development are assessed as follows:

Housing Provision

- 3.12 The latest Schedule of Accommodation for the Lordship Lane scheme (Rev 21) establishes the total number of student and affordable housing units and occupancy. A total of **623 student beds and 77 affordable homes** are identified as follows:
- 623 - purpose built student accommodation (PBSA) beds (511 units) within a courtyard block
 - 70 - apartments for shared ownership and social rent ranging in size from 1 bed 2 person units to 3 bed 5 person units across a linear block
 - 7 - 5 bed 8 person town houses for social rent.
- 3.13 The subject site is allocated as an 'Opportunity for Regeneration' (SA9) in Haringey's Site Allocation DPD (2017) with the potential to provide c.191 housing units. The residential development as proposed will make a positive contribution towards meeting both the housing needs and the anticipated economic growth of Haringey. The adopted Local Plan Strategic Policies document (2013-2026) identifies how the need for affordable housing outstrips supply, with a shortfall in provision of 11,757 homes over the period 2015 to 2031. This equates to 59% of the total net housing requirement of 20,172 units, or 748 affordable homes out of 1,345 per annum. Responding to the shortfall is reported as a priority for the Borough. The proposed development positively responds to this priority, contributing 77 affordable housing units (equating to 10.3%) to the annual target requirement.
- 3.14 The proposed development will generate a positive impact to diversifying the local student housing provision. Cushman & Wakefield's Student Need Assessment (October 2022) identified how an increasing number of students are choosing to live in the outer London Boroughs to access more affordable levels of private accommodation in comparison to central London, this includes Haringey

due to its excellent transport links and improving local amenity. The assessment demonstrated that there are currently a significant number of students living in the private housing market in Haringey, with the potential to move these into purpose built stock which would play an important role in better meeting student needs and freeing up housing for occupancy by the local community, thus helping to relieve an increasingly supply constrained housing market and increasing Council Tax receipts to the public purse.

New Population

- 3.15 The 700 residential units proposed will have the capacity to accommodate a new residential population of **up to 917 people - 623 students and 294 within the affordable housing**. This is based on the assumption that each of the units is occupied to its purposed capacity.
- 3.16 The PBSA block incorporates a mix of room sizes from one bed studios to 8 bed 'clusters'. On the assumption all units will be fully occupied on completion and accommodate one person per bed-space, the PBSA element of the scheme will generate a new resident student population of up to 623 people across a range of ages, including those who are economically active. The new student population is likely to be drawn from a spatially broad catchment area as people seek to live and study in London.
- 3.17 In terms of the 77 affordable housing units, the latest (2022) Office of National Statistics (ONS) data identifies the average household size in the UK to be 2.36 residents per household. Adjusting this down to 2.0 per household to take account of the predominance of apartments proposed provides a new population estimate of 154 people. The shared ownership population (c.50 people) is likely to be more local whilst those occupying the social rented units (c.104 people) will mostly be drawn from Haringey's housing register.
- 3.18 Together with the student numbers, the revised population estimate totals **777 people**. This could be considered a conservative estimate against the theoretical maximum given that the affordable housing units, and the 52 social rented units in particular, are most likely to be allocated based on the family size and housing need of those on the waiting list, thus exceeding the ONS average household size averages. Given that there are currently no homes nor residents at the site these will be net additional bed spaces and residents.
- 3.19 The Proposed Development will provide a positive contribution to accommodating the scale and type of population growth witnessed and anticipated in Haringey, whilst serving to diversify the local housing offer and improve choice within this part of London - a key requirement to meeting economic growth aspirations. More locally, the development will clearly contribute to sustaining population growth and retaining existing residents within Haringey whilst also supporting footfall, spend and vitality within Wood Green Town Centre.

Financial Contribution

- 3.20 The residential elements of the new development will also provide an additional financial contribution to the London Borough of Haringey in the form of:
- **Council Tax** - assuming full occupation and no discounts (e.g. single occupancy or income related), Council Tax receipts for the affordable housing element of the scheme could total in the region of **£151,000 per annum** based on Haringey's 2023/24 Council Tax Band Rates. The estimate assumes 22 x 1 bed apartments in Band B; 8 x 2 bed apartments in Band C; 40 x 2 and 3 bed apartments in Band D; and 7 x 5 bed town houses in Band G. Student housing is exempt from Council Tax contributions and is therefore excluded from this estimate,

however some housing currently occupied by students could be released back to the market by the PBSA scheme, further increasing the quantum of homes liable for Council Tax locally.

- **Community Infrastructure Levy (CIL)** - a charge which can be levied by Local Authorities on new development in an area. The Levy helps to deliver the needed infrastructure associated with the development. The London Borough of Haringey charges different rates per land use and by the area where the development is situated. The Lordship Lane development is situated within the 'Central Zone' and therefore for any residential/ student accommodation/ Build to Rent housing there is a charge of £229.21/ sqm of GIA. There is no charge for the development of offices or small scale retail e.g. a café, and affordable housing is exempt if a claim for relief has been submitted.
- **Mayoral Community Infrastructure Levy (MCIL2)** – MCIL2 was adopted in 2019 to help finance the Elizabeth Line and Crossrail 2. The charging schedule identifies a 'Band 2' rate for all types of development in the Borough of Haringey equating to £60 per sq m GIA. This will need to be applied across the Lordship Lane development.
- **New Homes Bonus** - this grant is paid by central government to local councils to incentivise housing growth in their areas based on the net additional Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use. There is also an extra payment of £350 (2023/24) for each additional affordable home. Haringey's New Homes Bonus amounted to £2.1 million in 2021/22. The delivery of 77 affordable housing units at Lordship Lane will contribute to the overall allocation, however calculating potential payments relating to individual schemes is complex as the allocation is based on borough wide delivery.

Operational Phase - Employment Benefits

New Employment Generating Floorspace

- 3.21 The redevelopment will go some way to replace the 3,716 sqm (40,000 sq ft) of existing low grade leisure space currently occupying the Lordship Lane site through the provision of **795.7 sqm (8,600 sq ft) of non-residential floorspace** on a Gross Internal Area (GIA) basis to the ground floor of the PBSA block. The final configuration of this floorspace is yet to be confirmed, but indicatively could provide a café, food hall and workspace across a single ground floor 'space', but with the potential to subdivide into smaller units if required.
- 3.22 It is anticipated that a single operator will manage the non-residential floorspace, however numerous smaller businesses may operate and trade within the space including food stall holders, a café business and businesses requiring workspace. As such, depending upon the configuration and operating model of the non-residential space, the proposed development could attract and accommodate **a single business but multiple occupiers** to the scheme.
- 3.23 Whilst the proposals represent a net reduction of 2,920 sqm (31,400 sq ft) on the overall provision of employment generating space across the site, when compared to the existing Mecca Bingo unit, the modern, fit for purpose premises provided within the new development will have a greater market appeal, will drive a higher employment density as offices and F&B; and therefore create a much greater opportunity to create additional and high value jobs and other economic outputs.

- 3.24 Further, Mecca Bingo's lease expires in September 2026 and the occupier has previously indicated that they are under trading in this location and are therefore seeking to vacate. If this occurs prior to the start on site of the Lordship Lane scheme, there is a risk that the unit could remain vacant and unable to attract a suitable short-term occupier. In this situation, the vacant unit would detract from the physical environment and add no social or economic benefit to the local area, thus the jobs created by the redevelopment would be truly additional.
- 3.25 An independent market assessment provided by property consultants Strettons is understood to have determined that the units within the scheme are of a deliverable scale in terms of overall volume and individual unit size, with the potential for sub-division and/or alternative use to best respond to the market. As such, the new employment space will provide alternative commercial premises which will diversify the current offer and support the attraction of new businesses to the area.

Permanent Direct Employment

- 3.26 The PBSA element of the proposed development is anticipated to generate 14 direct gross FTE jobs based on data provided by Fusion Students Group and their experience staffing similar schemes elsewhere. This will include employees engaged in the operational management of the scheme including Residence Managers (2) and Concierge (4); Security (3); Domestic Cleaning (3); Maintenance (1) and Sales (1).
- 3.27 Further, it is expected that additional temporary staff will be employed to manage large student arrival and departure days at the beginning and end of each academic term (estimated at 4-5 temporary FTE jobs). There will also be regular contract workers required for roles such as landscape maintenance and window cleaning several times a quarter. These additional temporary and part time staff have not been taken into consideration within this assessment, but clearly contribute to local employment.
- 3.28 The British Council for Offices (BCO) Office Occupancy Density and Utilisation Report (2018) and London Employment Sites Database (LESD) (2021) have been utilised as a proxy to estimate the potential number of tenant jobs created within the 199 sqm (2,142 sq ft) GIA of workspace proposed within the scheme. Both sources apply an employment density ratio of 11.3 sqm GIA per employee to office use, equating to a workspace based job estimate of 17 FTE for the development.
- 3.29 The proposed café/food hall space totals 591 sqm (6,361 sq ft) NIA. Applying Homes and Communities Agency's (HCA) Employment Density Guidance (2015) assumption of 17.5 sqm NIA per employee for "restaurants and cafes" equates to an estimated 34 FTE jobs in respect of this space.
- 3.30 Together, the non-residential employment generating space within the proposed scheme is estimated to accommodate a total of 79 FTE jobs within the tenanted businesses. The calculation assumes full occupancy of all the available space (i.e. no vacancies) and full time equivalent (FTE) employment, so the figures could vary in practice. Further, as businesses become increasingly space efficient, this could also positively impact on final tenant job outputs.
- 3.31 Overall, the proposed Lordship Lane scheme is estimated to create in the order of an additional 65 **direct gross FTE jobs** as follows:
- PBSA - 14 jobs
 - Offices - 17 jobs
 - Café/Food Hall - 34 jobs
 - **Total - 65 jobs.**

- 3.32 Mecca Bingo reports to currently (August 2023) employ 30 staff on site including 7 full time and 23 part time employees. Assuming a FTE equivalent of 2 part time positions based on ONS Annual Survey of Hours and Earnings (ASHE) equates to a total of 19 FTE jobs.
- 3.33 Adjusting for leakage (15% for office jobs and 10% for retail jobs), displacement (38%) and multiplier effects (1.29 for office jobs and 1.21 for retail jobs) based on HCA Additionality Guide (4th Addition), DLUCH Appraisal Guide (2023) and Cushman & Wakefield's professional judgement, together with the reduction of 19 FTE to account for the existing Mecca Bingo jobs (deadweight) equates to **25 FTE net additional jobs at the Haringey level**.
- 3.34 As such, the new jobs directly created within the proposed Lordship Lane scheme will not be totally additional, but even accounting for the potential loss of the existing retail/leisure based jobs, the redevelopment will generate an **uplift of 25 jobs compared to the existing position**.
- 3.35 The newly created jobs are likely to be filled predominantly by residents within Haringey and the surrounding Boroughs. Local labour initiatives could help to ensure that local communities, some of which including the adjacent Noel Park area are suffering from elevated levels of deprivation, fully witness the benefit of the new employment opportunities. Steps could also potentially be taken to provide job opportunities to staff likely to be made redundant as a result of the closure of Mecca Bingo.

Economic Productivity

- 3.36 The jobs created and sustained through the operation phase of the development will contribute to the economy in the form of GVA uplift. This benefit will persist year on year owing to the continued operation of the proposed development.
- 3.37 2020 ONS output per job data at the London level, uplifted to 2023/24 prices using the GDP deflator, for predominantly office based Standard Industrial Classification (SIC) economic sectors (J: Information and Communication; K: Financial and Insurance; Professional, Scientific and Technical; and N: Administrative and Support Services) equates to £110,700 and £24,800 for best fit PBSA and café sectors (I: Accommodation and Food Services). Applying these GVA output figures to the anticipated 12 FTE net additional office and 32 FTE PBSA/café jobs provides an estimated £2.12 million GVA per annum, less the £471,200 currently accounted for by the 19 existing Mecca Bingo jobs, resulting in an estimated **£1.65 million uplift in GVA generated** into the London economy per annum.

Financial Contribution

- 3.38 The non-residential elements of the Lordship Lane redevelopment will contribute to annual Business Rate returns within Haringey. The estimation of Business Rate returns is complex and dependent upon a rating valuation for each individual property. Further, the national system of 'top-ups and tariffs' means not all returns are directly allocated to the local authority. Nevertheless, rate returns will be an important economic benefit.
- 3.39 Based on the Rateable Values (RVs) identified within the 2023 Ratings List from the Valuation Office Agency (VOA) for local comparable properties by use (offices and cafes) within a c.300m radius of the site and applying the appropriate rate 'multiplier' (51.2p standard/49.9p small business 2023/24) indicates that **Business Rates in the order of £119,000 per annum could be generated** by the development proposed. However, this assumes full occupancy and any void rate free periods or mitigation measures will downwardly impact upon this annual assumption.
- 3.40 According to the 2023 Ratings List, Mecca Bingo are currently liable to Business Rates of c.£56,500 per annum. As such, the new development represents a marginal indicative **Business Rate uplift of £62,500 per annum**.

Indirect Student Employment

- 3.41 Indirect employment effects will also be generated through the uptake of jobs by the new student residents within the PBSA. Based on the findings of latest NatWest Student Living Index (2023), London students work an average of 18.74 hours of part time work per month during term time (compared to 18.3 hours nationally). Applying this to the potential maximum 623 students that could be accommodated within the PBSA element of the scheme generates a total of 11,675 hours worked per month. This equates to an estimated **72 FTE gross jobs** based on a 160 hour working month (37.5 hour working week) that could be supported by students living within the development.
- 3.42 Owing to the often part time nature of these jobs, many are likely to be local to Wood Green. Adjusting for leakage (10%), displacement (38%) and multiplier effects (1.21) as previously equates to **49 FTE net additional indirect jobs** at the Haringey level.

Indirect Local Student Expenditure

- 3.43 The additional new students (up to 623) residing at the Lordship Lane development will generate additional local expenditure on living expenses, food, retail and leisure activities etc.
- 3.44 The 2023 NatWest Student Living Index estimates that full time students in London spend an average of £569 per month on living costs (excluding rent and household bills) including food, clothes, personal items, entertainment, household goods, non-course travel and other living costs. This is considerably (35%) higher than the UK average of £422 per month and likely to be owing to the higher cost of living in London. Applying the London based spending assumption to the 623 anticipated students at the Lordship Lane PBSA development generates a total likely **additional term time (9 month) student living cost expenditure of c.£3.19 million per annum.**
- 3.45 Given the proximity of the subject site to Wood Green Town Centre, a significant proportion of this additional student expenditure is likely to be local thus benefitting local businesses and bringing positive supply chain effect to the wider Haringey area. Given the local retail mix in Wood Green, this will be of particular benefit in terms of:
- **Supermarket spend** - London average student expenditure of £107 per month (compared to £110 nationally), equating to an additional term time spend of £598,700 per annum (£960 per new student) generated by the new PBSA development;
 - **Socialising** - including going out (£40 per month), alcohol (£20) and take aways (£39) averages £98 per month in London (similar to £92 nationally), equating to an additional term time spend of £550,900 per annum or £884 per student per annum in respect of the anticipated new student population.
- 3.46 Further, students living in the proposed development will receive visits from friends and family which will generate additional expenditure including in hotels, shops, restaurants, entertainment venues, at attractions and on local transport which can be attributed to the proposed development.

4.0 Qualitative Socio-Economic Benefits

- 4.1 In addition to the identified quantitative social and economic outputs, the proposed PBSA and affordable housing development at Lordship Lane will also generate a series of physical, social and economic qualitative benefits to the local area and beyond:

Social

- 4.2 Anticipated social qualitative benefits of the Lordship Lane development include:

- **Meeting Housing Needs** - 59% of Haringey's net housing requirement is for affordable housing (748 units per annum) and responding to this shortfall is a priority for the Borough. The 77 affordable homes proposed will contribute 10.3% to this annual target thus helping to meet local housing needs whilst supporting population and economic growth aspirations. The provision of PBSA units could also help to free up currently student occupied housing locally, thus facilitating the return of additional housing to the market
- **Diversified Housing Choice** - the 623 bed PBSA and 77 affordable housing units provide a broad range of accommodation from single person student studios, through to 1 to 3 bed apartments and 5 bed town houses across a mix of tenures including shared ownership and social rent. The development is in a sustainable and highly accessible location, offering high quality accommodation at an affordable level that meets today's occupier requirements and will therefore diversify local housing choice and appeal to students, active retired older people, young families, established families and young professionals
- **Enhanced Profile as a Residential Location** - the Wood Green area is currently the focus of a renewed emerging Area Action Plan and the subject site is allocated as an 'Opportunity for Regeneration' in the Local Plan. Delivery of the Lordship Lane scheme and the provision of new high quality modern homes will enhance local market attractiveness and the profile of Wood Green as a residential location. This may in turn instil investor confidence, attract further residential development and new residents to the area as other development opportunities arise in the future
- **Reduced Crime** - the site is situated within the Noel Park 'policing' area within which there were 220 reported incidents of crime in December 2023 including 61 violent and sexual offences; 49 of anti-social behaviour; 49 thefts from the person and 61 reports of other thefts within this area (www.police.uk). The redevelopment of this currently low grade and underutilised brownfield site will create a new high quality physical environment, with a new active population that will generate activity and visibility throughout the day and late into the evening. This will provide a significant positive impact on perceptions, feelings of safety and fear of crime on site and in the streets immediately surrounding the scheme. Incorporating Secured by Design standards into the build will provide measures to 'design out' crime through appropriate lighting, natural surveillance, active frontages and CCTV. Further, the PBSA element of the scheme will provide on-site management services including 24 hour security, therefore significantly improving safety and security on site for new residents.

Economic

4.3 Qualitative economic benefits of the Lordship Lane scheme are likely to include:

- **Supporting the Wood Green Retail and Leisure Core** - a significant benefit from the attraction of up to 777 new residents and c.25 new jobs will be to increase footfall and spend in the shops and facilities in the local Wood Green Town Centre. In addition to the local spend that this will generate, the enhanced activity and vibrancy could encourage further investment by new commercial, retail and leisure occupiers as it will give them confidence that the area is thriving. Increasing the resident population in the locality should also support businesses to extend their hours of operation to attract workers to visit the area after work and residents to visit as they return from work.
- **Enhanced Profile as a Business Destination** - the high quality employment generating elements of the development including office and café/community hub space will serve to improve the choice and quality of the local employment land and premises supply and support the aspiration for Wood Green as an 'Area of Intensification' within the London Plan. Creating a more economically active and vibrant mix of complementary uses could enhance the profile of Wood Green and present opportunities to attract new businesses to the area, which in turn, may indirectly result in new jobs and new families moving into the local community.
- **Increased Values** - as the area begins to transform and new housing and employment development is delivered, so too will market confidence in the area. As a result, new private sector investors may start to deliver in Wood Green as demand from residential and business occupiers continues to grow and take advantage of the accessible and relatively affordable location. This should help to increase rental and purchase values, supporting greater development viability and supporting further development in the future.
- **Supporting Local Labour Market** - ultimately, attracting new jobs and working age residents to the area will strengthen the attractiveness of the local labour market to potential new and expanding businesses for whom the supply and quality of the local labour force will be a key factor in their locational decision making. Further, the ability for existing and potential employees across Haringey to find attractive places to live close to their place of work will support the retention of these residents and businesses within the Borough. This will also benefit existing residents living in adjoining neighbourhoods who have access to new employment opportunities.
- **Up-Skilling** - new and varied employment opportunities provided by both the new tenant businesses and during construction presents opportunities for up-skilling of the local labour market through formal and informal training and on the job experience.
- **Educational Attainment** - the proposed development will not directly enhance the skills and education of its residents. However, the provision of a new high quality PBSA block with the capacity to accommodate up to 623 students will support London's ability to attract and retain its large student population. The scheme provides the supporting infrastructure required for students to have the best chance of excelling during their studies given ease of accessibility to London's universities together with a safe, high quality and well managed environment in which to study. In turn, the proposed development will increase accommodation choices for students across London and enhance its reputation and attractiveness as a higher education destination, thus retaining its international competitiveness.

Physical

4.4 The physical qualitative benefits considered to be attributed to the proposed development include:

- **Enhanced Physical Environment** - the site currently comprises an underutilised and poor quality building and car parking land. The new employment and residential uses proposed alongside the associated public realm works will represent the best quality in all aspects of design, thus significantly enhancing the physical appearance of the area. The proposed creation of a new public green space with play and social areas in the north western portion of the site and a new pedestrian and cycle route through to Wellesley Road would open up the site to the wider community. This will improve the accessibility and setting of the scheme and create a more welcoming and safer surrounding environment afforded by the visual surveillance of both the employment and residential uses. It will also provide a more attractive setting for existing businesses, employees and residents within the area.
- **Protecting Important Heritage** - the proposed development seeks to enhance the physical environment of a currently underutilised low grade site adjacent to the historically significant Noel Park Conservation Area. The design concept looks to reinterpret the architectural history of the surrounding area with sympathetic massing and materials.
- **Improved Connections and Legibility** - comprehensive redevelopment of the subject site will include new interconnecting public realm improvements north-south between Lordship Lane and Wellesley Road. This will improve permeability throughout the site itself and through to the Noel Park Estate to the south as well as into Wood Green Town Centre. All proposed improvements in connectivity have taken into consideration adjoining existing neighbourhoods and proposed character area developments to ensure all fully benefit from improved accessibility.

5.0 Summary and Conclusions

- 5.1 This paper has provided an assessment of the likely socio-economic benefits of the proposed Lordship Lane PBSA and affordable housing-led redevelopment in Wood Green, Haringey during both the construction and operational phases of the scheme relative to the baseline conditions including the existing context of the current Mecca Bingo operations.

Summary of Socio-Economic Benefits

- 5.2 The table below summarises the findings of the quantitative analysis including the anticipated socio-economic outputs and scale of beneficial effect in respect of each indicator:

Table 5.1 Summary of Quantitative Socio-Economic Benefits

Indicator	Existing Site	Proposed Scheme (Gross)	Proposed Scheme (Net)	Uplift
Construction Phase (Temporary - 2.5 years)				
Construction Investment	0	£101m	-	+£101m
Employment (FTE p.a.)	0	184	95	+95
Productivity (GVA p.a.)	0	-	£8.2m	+£8.2m
Operational Phase (On-going) - Residential Benefits				
Housing Provision	0	700	700	+700
Residential Population	0	917 (max)	777	+777
Council Tax (p.a.)	0	£151,000	£151,000	+£151,000
Community Infrastructure Levy (CIL)	0	£4.18m	£4.18m	+£4.18m
New Homes Bonus	0	£26,950	£26,950	+£26,950
Operational Phase (On-going) - Employment Benefits				
Employment Generating Floorspace (Sq m)	3,716	796	-	-2,920
Businesses Accommodated	1	1+	1+	1+
Direct Employment (FTE)	19	65	44	+25
Productivity (GVA p.a.)	£0.47m	-	£2.12m	+£1.65m
Business Rates (p.a.)	£56,500	£119,000	-	+£62,500
Indirect Student Employment (FTE)	0	72	49	+49
Indirect Student Term Time Spend	0	£3.19m	-	£3.19m

Source: Various (see Analysis)

- 5.3 Further, a series of more qualitative social, economic and physical benefits could also be delivered by the proposed redevelopment that align with the wider aspirations for the Lordship Lane site as an allocated 'Opportunity for Regeneration' in Wood Green:

Table 5.2 Summary of Qualitative Socio-Economic Benefits

Type	Benefit
Social	- Meeting affordable housing needs and diversifying local housing choices - Enhanced profile as a residential location - Enhanced community pride - Reduced crime and perception of crime through good designed and increased footfall/natural surveillance
Economic	- Increased footfall, dwell time and spend supporting the Wood Green retail and leisure core - Enhanced profile and market confidence in Wood Green as a business destination for both occupiers and investors - Increased values driven by high quality space and improved market confidence - Supporting local labour market through employment generating floorspace and opportunities for upskilling

Type	Benefit
	▪ High quality PBSA that supports educational attainment and enhances attractiveness of London as a higher education destination
Physical	▪ Regeneration of 0.86 hectares (2.16 acres) of underutilized brownfield land ▪ Enhanced physical environment and improved user experience ▪ Improved connections and legibility ▪ Protection and enhancement of the setting of Noel Park Conservation Area

- 5.4 The analysis undertaken clearly demonstrates the extensive additional quantitative and qualitative physical, socio-economic and regeneration benefits that will accrue from the proposed redevelopment of Lordship Lane, even taking into consideration the loss of the existing economic benefits provided at the site by the occupation of Mecca Bingo. Whilst many of these benefits will be focused most significantly within Wood Green and the Borough of Haringey, the wider London are will also gain from the positive outputs to a lesser extent.
- 5.5 It is important to note that estimating economic outputs is an academic process and therefore the true benefits of redevelopment will not become apparent for a number of years. Further, at this early planning stage, it is not possible to provide definitive quantitative output figures for the proposed scheme. However, the intervention will clearly have a positive impact on the subject site and the wider area and it is recommended that monitoring and evaluation is implemented and maintained where possible to demonstrate achievements in the future and to provide a better informed evidence base for this type of investment going forward.