

LONDON
REVIEW PANEL

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Greenwich Enterprise Board

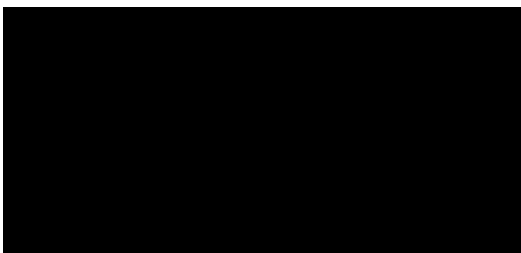
February 2021

Dear [REDACTED]

London Review Panel: Charlton Workstack Evaluation MDA Workshop, RB Greenwich

Please find enclosed the London Review Panel report following the MDA Workshop of Charlton Workstack Evaluation on 17th February 2021. I would like to thank you for your participation in the workshop and offer ongoing Mayor's Design Advocate support as the scheme's evaluation develops.

Yours sincerely,



Mayor's Design Advocate

cc.
All meeting attendees
Jules Pipe, Deputy Mayor for Planning, Regeneration and Skills
Philip Graham, Executive Director of Good Growth, GLA
Patrick Dubeck, Head of Regeneration, GLA

LONDON

REVIEW PANEL

**Report of London Review Panel MDA Workshop
Charlton Workstack Evaluation, RB Greenwich**

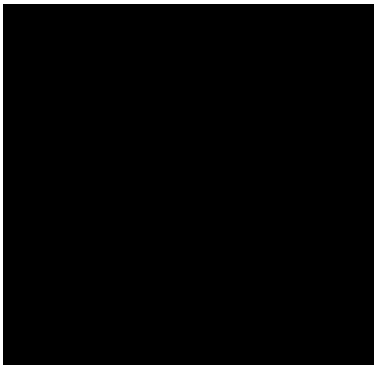
Wednesday 17th February 2021
Review held remotely

London Review Panel



MDA (Chair)
MDA
MDA

Attendees



Greenwich Enterprise Board
Greenwich Enterprise Board

dRMM
dRMM

GLA Regeneration
GLA Regeneration (Panel Manager)
GLA Regeneration

Report copied to

Jules Pipe
Philip Graham
Patrick Dubeck

Deputy Mayor for Planning, Regeneration and Skills
GLA
GLA

Confidentiality

Please note that while schemes not yet in the public domain, for example at a pre-application stage, will be treated as confidential, as a public organisation the GLA is subject to the Freedom of Information Act (FOI) and in the case of an FOI request may be obliged to release project information submitted for review.

Project location

Woolwich Road, Charlton, SE7 7RJ

Presenting team



Greenwich Enterprise Board
Greenwich Enterprise Board
dRMM
dRMM

Greenwich Enterprise Board introduction

Greenwich Enterprise Board (GEB) provided a history of the organisation within the context of industrial workspaces in Greenwich. GEB have been operating since the 1980's, seeing the changing industrial landscape of Greenwich which has seen a decline in industrial workspace. The area suffered with the closure of the Ministry of Defence sites alongside the prevalent decline in manufacturing and industrial sectors in a move towards a service-based economy that began in the 1980's. Post-industrial unemployment was exceptionally high in Greenwich, where the industrial ecosystem was predominantly small and diverse owned businesses rather than reliant on large anchor companies.

GEB have a long history of developing properties for industrial tenants and have focused on small and niche spaces and industries, an area that has increased in demand. The GEB business model which operates as a self-funding social enterprise is now focused on developing and letting out industrial workspace. GEB have a long-term independence model in place which does not rely on shareholders. GEB stated their intention to operate as a best in class landlord by keeping deposits for tenants low, requiring no formal referencing, affordable rents, clear payment structures from outset and easy break clauses. Through their other sites they have developed a diverse ecosystem of businesses including many female and BAME-led. Through this organic growth and management of lettings GEB ensure there is never voids in their portfolio of spaces.

GEB are now facing competition for sites due to the massive increase in land values and the conversion of land and buildings to residential uses. This has exacerbated the decline in industrial workspace and forced many small industrial businesses to relocate away from these locations. GEB look to develop compact town centre sites as the only available and viable sites for their business model. This has also meant GEB look to maximise these small sites potential through innovative industrial intensification solutions and construction methods such as cross-laminated timber (CLT). GEB appointed dRMM as lead consultant to develop a sustainable CLT based stacked industrial workspace with a brief for high quality and affordable construction to make the most of the prominent site location.

Design Team presentation

dRMM presented their brief and approach to design development. The site is well located in the Charlton Riverside SPD area on the boundary of the industrial area. Residential uses face the site across Woolwich Road and other major structures in close proximity include Charlton Station, the Thames Barrier and Charlton Athletic Football Club. The project is ahead of the major redevelopment schemes being proposed in the immediate area and while it links with the general objectives of the SPD the project also challenges some of the assumptions regarding location and typology of industrial workspace. The SPD proposes an employment led regeneration strategy for the area however many of the schemes coming forward are predominantly residential.

The brief for the design team was to develop industrial workspaces within a dense urban environment and create a manifesto building that provides a new replicable model for intensified industrial uses in urban spaces. The site is located on a prominent corner plot locked in by car parks, big industrial sheds and the busy Woolwich road. Previous planning permission for the site existed for single storey linear industrial sheds. The team developed a stacked typology to provide circa 1500 sqm (GIA) of new industrial workspace to optimise the limited site. The objectives for the building included creating new build high quality industrial spaces, breaking the isolation of industrial workspace and providing a greater diversity of unit sizes. This would encourage a socially sustainable and diverse range of tenants. Key to the long-term sustainability of the project and to address the climate emergency was the decision to use cross-laminated timber (CLT) as the main structural and finish material with the timber acting as a carbon store. The units are arranged around a central goods lift and step forward on higher levels to create a sheltered delivery overhang. Construction will begin on site within the month.

The GLA have provided funding for an evaluation of the project which this review focuses on. The current proposal includes reviewing key developments in the project that have improved the efficiency and build cost viability such as location of services internally to reduce trenches and cabling, bringing staircases internally to reduce ground works required, reducing the overall floor to floor of the units to reduce the cladding and envelope wherever practically possible.

The proposed evaluation will be undertaken in two phases and will cover six themes, highlighting connections and interactions between these themes. The themes and topics covered include;

Phase 01 (Underway with output as report with GLA and GEB providing forewords)

- a. Site – local, borough and citywide context
- b. Project actors – client vision, design team ethos, contractor buy-in
- c. Brief – operational model, clarity of uses, tenant selection and embedding into the small local network of businesses, logistics
- d. Design proposals – specification, design development, optioneering, sustainable ambitions

Phase 02 (To be documented throughout construction and interviews one-year post completion and include film and photography of site progress)

- a. Construction – contractor feedback, timeline and logistics

- b. Post occupancy evaluation – client, tenant and contractor interviews, to understand their use of the views on building, material finish and whether the spaces address their needs

London Review Panel's Views

Summary

The panel commend the client and design team on the clear presentation. There is a need to focus on proving demand and the financial viability for this project typology. It is as important to survey the sectors that the team does not hear from to understand who they are and why this project does not suit their needs. The evaluation needs to prove demand for industrial space on upper floors and articulate the argument around that demand.

The evaluation needs to demonstrate how rent costs relate to build costs and how this can translate to other types of sites and developers. It should also consider viability across a mixed-use site where residential values might offset higher industrial build costs. The evaluation should include benchmarking against other GEB projects as well as traditional industrial and other industrial intensification projects. There needs to be a balance between demonstrating the presentation of the building with the financial learnings of the project, with the former being able to showcase itself through building visits and the latter being critical to develop the argument for this typology.

The team are encouraged to use the evaluation to tell the story that is less clearly seen including around viability and the management strategies. GEB's approach to be a landlord for industrial intensification is important to include. The evaluation should provide answers to cynics and conversations with them should be undertaken to understand their issues to assist in making the evaluation useful to a wider audience. This project does not need to address all issues across London regarding industrial intensification but should present a specific example of a specific response to it. This would help contribute to the overall argument the GLA is trying to make for industrial intensification.

The panel would advise highlighting in the introductory sections the key question, 'Why should we care about industry in the city?' The importance of industry in the city is set out in the London Plan and Mayor's [Industrial Intensification Primer](#) but the team will need to set out the argument again to those who are unaware or unconvinced of the benefits of retaining industrial workspace in the city. The ambition is to avoid driving industry out of the city leading to loss of local jobs, increased transport and carbon impacts and loss of employment diversity. The evaluation should demonstrate how we can get more out of industrial land through this project's brief, stating what can be provided by stacking industrial workspace such as a more engaging street level and more workspace.

The panel suggest setting out in the evaluation what the barriers are to retain or provide new industrial workspace in the city and how these are overcome. Current issues causing the loss of industrial workspace include the rapid increase in land values, the ease of conversion to residential uses and the perceived viability concerns for developers of sites. The team are encouraged to be transparent about the viability issues and forefront this in

the evaluation. The panel would advise that the evaluation examine the limitations of the market that does not naturally deliver this building model and state the reasons why this is.

The panel advise the team to set out how the universal lessons of this project can be shared to enable others to achieve this elsewhere. The key points that should be answered through this evaluation is to prove there is demand for this type of space for light industrial tenants in Charlton Riverside and more widely. Many developers don't deliver these spaces and proving this demand is vital to demonstrate how this project stacks up financially, needing strong facts and figures about demand. Another key lesson from this project will be in demonstrating how rents relate to build cost and buildability, an important story to tell when providing the argument for this typology elsewhere. While the site is located in a peripheral city location unlike some other similar buildings in central London, if it can demonstrate its viability here it should be able to work anywhere. The evaluation can therefore help other projects build on the lessons learnt as a starting point to improve upon, becoming a relevant document to the market and a lever to pull in favour of industrial workspace. The evaluation should set out how financially how a new build construction enables affordability in build costs. It would be an interesting exercise to explore how this model could work in Strategic Industrial Land zones to test its wider application.

The panel agree that the building is beautiful example of an interesting typology which will be able to tell its story without the need to repeat itself through the evaluation. Through building visits, architectural diagrams and photography the architecture can be easily understood and interpreted, and this should not take away focus from the parts of the project that are not as evident from the architecture alone. What is useful to draw out are the specifics of this projects architecture and how it impacts the viability of this typology elsewhere. This includes reducing building costs per sqm through decisions to bring the stair internally and reducing the floor to ceiling heights. The evaluation could highlight areas where future workstack projects could be built differently to reduce costs. It could be useful to set out what proportion of the evaluation focuses on architectural design aesthetic, financial models and costs, sector awareness and demand, and operational impacts. It will also be useful to briefly discuss what the stacked arrangement enables in terms of build costs, operations and site land value.

The panel encourage the team consider who the target audience for the report is. This will help steer the content to focus on the parts of the project that are of most impact and will be most useful for those seeking to make a viability argument for quality industrial workspace in the city. The panel suggest this target audience will include landowners, developers, planners, local authorities and other allied built environment professionals.

The panel suggest that the project should state what the priority sectors are and how and why they have been targeted. The evaluation should highlight how the management and operational strategies achieve this target mix of sectors and why these sectors are so important for the network of industry and employment and skills mix in the local area. The panel suggest a useful exercise would be profiling how the tenants match up with the local industry profile. The evaluation should highlight GEB's priorities targeting industrial and mechanical manufacturing SME's and their strategy to ensure all spaces are occupied, adjusting rents accordingly.

The panel advise the team to include the impact of the proposal on the wider context. This should include implications for the Charlton Riverside SPD and wider council vision for industrial workspace and this site. This project can demonstrate that industrial workspace can and should be as stand-alone buildings rather than limited to the ground floors of residential development. There are strengths to the project programme advancing ahead of the masterplan that should be used to inform this later development. There is lots of displacement of industry in Charlton Riverside because of the regeneration plans and the panel recommend exploring how this project can accommodate these people more explicitly. Opening channels of communication with wider borough and city strategies and research around industrial workspace and intensification should be included to demonstrate how this project is part of a much larger puzzle. It does not address all issues but can be used to target some specifics to this project and site and should be used as one tool to contribute to the overall argument.

The panel encourage the team to include in their surveys the impact of the design on neighbours, particularly perceptions residents hold of living next to industrial workspace. It will be useful to understand how architectural design can be used to embrace local communities and be embraced by them. Currently there may be existing perceptions that industrial workspace is incompatible next to residential uses and this project can demonstrate how quality design can be an asset rather than an eyesore and broaden the definition and assumption of where industrial buildings can go. The panel advise the team to engage a range of residents and residential groups, including those immediately adjacent to the site.

The panel advise the evaluation should include a benchmarking exercise. This should demonstrate how the standard approach to development contrasts with how this project is different. The panel understand that benchmarking will be undertaken using other spaces within GEB's portfolio but would advise that the data collected for the comparison is relevant to the key topics to share with the target audience regarding the viability. This should include key metrics that capture quantitative data such as rent levels and build cost and explore the relationship between them.

The panel encourage the team to consider in their surveys those businesses that did not respond to apply for a place in the project, those that viewed and rejected and those that occupied but left. It is a key factor to understand how potential tenants view the viability of the stacked typology and why some businesses had written it off. The panel would advise including in the evaluation those sectors who they did not hear from. Understanding whether there are real or perceived issues in the building, the rents or better offers elsewhere is crucial to concluding whether the project has achieved its aims.

The panel suggest outlining the GEB landlord approach and impact of this on the project and tenant mix.

The panel welcomed GEB's intention to accommodate manufacturing and industrial and mechanical services and their aim to provide space for disadvantaged and traditionally excluded groups. However clear information about GEBs structure and landlord approach should be included to demonstrate how this tenant mix would be achieved and barriers to

successful occupation of the building removed. They should outline how their approach is relevant to the context of a viable industrial intensification development. GEB have an existing diverse tenant portfolio but it will be useful to share lessons of their methods with the sector about how this is created and managed and how to guarantee a successful SME tenant mix for industrial intensification spaces.

The panel suggest testing the project and evaluation on a cynic of industrial intensification in the city. Using this evaluation to table quantifiable evidence to those involved in deciding what makes a scheme viable such as agents will be a useful test of the argument being set out for this typology. Testing the special nature of this project with for example a land or development agent so they will be able to identify barriers will highlight remaining concerns. Some cynics may never be convinced but by testing the robustness of the argument this evaluation can provide a tipping point to developing briefs.

Next Steps

The panel would welcome the opportunity to further comment on this exciting and aspirational scheme.