



Berkeley Estate
ASSET MANAGEMENT

DRAFT Local First Social Value Plan for 48 Chiswell Street

29 November 2024

1. Introduction

At the heart of the Applicant's Environmental, Social and Governance (ESG) aspirations is the delivery of improvement for the communities in which they operate.

The Applicant recognises that social value is driven by creating positive impact for Islington residents throughout the lifecycle of this asset – not just during construction.

This *Local First* initiative will deliver a platform for social sustainability to deliver benefits 'from site' and to develop a credible ESG offer from and for tenant businesses, into local communities and the wider borough. Further detailed consultation and engagement with local stakeholders including ward councillors will be undertaken in advance of the finalisation of this Local First Social Value Plan.

2. Local context

The London Growth Plan identifies the potential for the capital to play its part in the Government's mission to kickstart economic growth and secure good jobs and productivity growth for everyone.

London has a highly productive, growing economy, but is not achieving its growth potential. The London Growth Plan, which is a commitment for the Mayor and London boroughs to work together, will aim to grow the London economy to improve the lives of all Londoners.

London's growth will come from its existing strengths in tradeable services (financial, professional, creative, film and screen, technology, experiences and education) as well as from emerging strengths in frontier innovation (life and nature sciences, AI, quantum and other 'deep tech'), industrial innovation (advanced production) and the green economy.

This growth is set to be fostered by an Inclusive Talent Strategy which will set out a range of public and private interventions to grow the city's skilled workforce, unleashing the potential of all Londoners.

A place-based approach to growth is needed and so local areas will set their own growth ambitions, supported by a London-wide Talent Strategy and infrastructure.

A leading example of this place-based approach within Islington is the Leading Inclusive Futures in Tech (LIFT) programme, designed to work with businesses to create inclusive pathways into high-value jobs in the tech and creative sectors. This programme has created life-changing opportunities, with nearly 500 people placed into jobs and apprenticeships and 232 new businesses raising over £4.2 million in investment funding.

Many 'knowledge economy' businesses are driven by ESG commitments, central to their investment reporting – and we have an opportunity to give these commitments a distinctly local focus. With the right resources, we can ensure that diverse local residents benefit from world-class jobs and supply chain opportunities, recognising the critical role boroughs play in reaching these communities.

There is significant evidenced need to provide office floorspace to cater for projected jobs increases and secure inclusive economic growth, office floorspace is the clear priority land use across the entire Bunhill and Clerkenwell AAP area. The key objective for the Bunhill and Clerkenwell AAP is to protect the predominant business role of the area by affording strong protection to existing business floorspace and prioritising growth in new business floorspace, which is essential to the unique agglomeration of business and supporting uses of the CAZ, Tech City, and the City Fringe Opportunity Area, contributing to London's role as a world city and maximising the competitiveness of the economy of the borough.

However, it is essential that this global economy provides opportunity for those that live closest to it. We recognise action is needed to strengthen pathways for Londoners to enter these growth sectors. We stand ready to play our part in reaching those communities, understanding and helping to build pathways that will open up new opportunities for residents and small businesses, connected to inward investment programmes.

3. Local Needs analysis

There are 19,651 people living in Bunhill. 16% of people have no qualifications and only 38% people aged 16-74 are in full-time employment (compared with 42% across Islington) and 34.8% are economically inactive¹.

The annual household income for residents in Bunhill is less than both the Islington and London-wide average².

¹ Based on Local Insight profile for 'Bunhill' area dated 20 September 2021.

² Based on Local Insight profile for 'Bunhill' area dated 20 September 2021.

There is a clear opportunity for commercial occupiers to play a role in improving the life chances of residents in this neighbourhood.

Islington is estimated to be home to approximately 225,000 people according to Greater London Authority estimates. Islington is a young borough, with a high proportion of residents aged 20-35.

The borough's population is expected to slightly decrease (-1.4%) over the next decade, which is a contrast to previous estimates which have always shown a growth in the population. Some of this decrease is likely to reflect reduction in fertility rates and people moving out of the borough due to affordability of housing.

As with other inner London boroughs there is a high degree of churn amongst Islington's population, with young people arriving in the borough to study, but people aged 30-39 leaving the borough.

Islington's diversity has increased over the past decade with 60% of the population identifying as non-White British. Over the past decade we have seen increases in communities identifying as Other White and Black African.

Islington is a small densely populated borough and currently home to 22,655 businesses the majority of which are small medium enterprises. The borough's businesses are largely concentrated in the south of the borough.

The number of businesses establishing themselves in the borough have been growing over the past decade and generally there is a net gain in new businesses, i.e. more new businesses are established in the borough compared to closing.

82% of the working age (16-64) population in Islington are economically active. This is higher than London and England (both at 79%). However, between 6-9% of people aged 16 and over in Islington are estimated to be unemployed. This was an increase compared with the same period in the previous year.

Certain population groups are disproportionately impacted in the labour market. In Islington people who identify as having a disability are significantly less likely to be in employment compared to those who don't have a disability.

Data on employment rates for people who identify as White compared to non-White shows some evidence that this gap has closed since 2017.

4. Proposed 'from-site' benefits

The Development would deliver a significant package of social value benefits for the local community. In the Economic Regeneration Statement, it states that:

“The additional employment capacity (341 to 576 extra jobs, or 458 on average) will be accompanied by improvement in the quality of the space provided, making the building fit-for-purpose, more appealing to the labour and property markets, more energy efficient and sustainable, and more reliable as a local economic asset.”

Although there is no policy requirement to do so, in partnership with council officers, the Applicant has developed and agreed to fund the DRAFT Local First Social Value Plan described in the below Sections. This Plan will be further developed in line with evolving local needs, with a FINAL version to be submitted to the Local Authority 18 months prior to Practical Completion.

The Applicant is keen to 'localise' the direct economic and social benefits from the Development. As a result, a proposed package of 'from-site' benefits is proposed for Islington residents. Working closely with the council, the Applicant would facilitate a wrap-around social value benefits package with strong links to the sectoral focus of the building (likely to be based in the knowledge economy) and its future business occupiers.

Based on the local needs analysis and dialogue with council officers, a 3-year programme of 'from-site' benefits is to be delivered in partnership with the council via the following programmes:

- Community and schools World of Work outreach programmes
- Council's 11 x 11 cultural enrichment programme
- Employability programme
- Specialist mentoring and incubation support for tech/creative/green businesses

Further details on the quantum of funded programmes that the development will support, is set out in Table 1 below.

In order to secure maximum local benefit, the 3-year programme would be funded by a contribution of £1,080,000³, with payment made in instalments to align with the period prior to and including completion of the development, as well as the operational phase thereafter.

³ The resourcing allocations and associated costing of this contribution, provided by LBI officers, is set out in Table 2 below.

The contribution would be paid in instalments, over the 3-year period, as follows:

- First payment (£360,000) – due 12 months prior to estimated practical completion of the development;
- Second payment (£360,000) – due prior to or upon first occupation of the development; and
- Third payment (£360,000) – due prior to or upon the first anniversary of first occupation.

To demonstrate the value of the package offered, this element of the proposed Local First Social Value Plan has been measured against the TOMs System, which is the system LBI typically use to measure social value outcomes in its affordable workspace programme. The Social Value TOMs System of Themes, Outcomes and Measures is considered as the most trusted method for recording and reporting Social Value. Engineered by Social Scientists and backed by up-to-date data sources, it is a robust and transparent way to accurately and credibly evidence social value outputs.

Using this methodology, the estimated additional social value generated by the Development through the funded programmes is set out in Table 1 below. It should be noted that these proxy values are additional social value generated over and above the financial contribution provided to support the social value programmes.

In addition to the funded programmes, the Applicant is proposing a “ready-made” ESG platform which the Applicant will encourage incoming tenant(s) to engage with.

At this stage, the Applicant is unable to bind future tenants to participate, as they are not yet known, and are likely to operate in a variety of business sectors. That said, ESG objectives are increasingly high on the agenda of modern-day occupiers across all sectors. This is not just a short term trend but a fundamental shift in how businesses operate and how investors evaluate potential investments. It aligns financial performance with broader social, environmental, and ethical considerations – the triple bottom line. This makes ESG a critical component of modern business strategy, related to corporate values, reputation management, talent recruitment and investment raising. A ready-made ESG platform as proposed here would be an attractive offer for the future tenants, giving them a competitive edge – but crucially and credibly linked to the locality within which they directly operate, through a sustained relationship with the local authority in the delivery of the social value package. The offer of a ready-made platform, designed to deliver social value benefits locally, from the outset of their occupation, is therefore likely to hold broad appeal.

Based on existing exemplar programmes within the LBI, the Applicant will commit to working with the council’s Inclusive Economy team to develop the Local First Social Value Plan based



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on evolving local needs, and will provide warm introductions to incoming tenants in due course, to potentially include:

- Emails/ introductions / informal meetings between the Landlord, incoming Tenants and LBI, together with other local businesses and stakeholders, within 1 month of occupation
- Launch event within 6 months of occupation

The Applicant will also use reasonable endeavours to secure some, or all, of the following as part of the incoming tenants' "ready-made" ESG package:

- Tenants Attendance at Annual job fair to advise on:
 - Current and upcoming vacancies / job opportunities
 - Guaranteed interview scheme(s)
 - CV workshop / interview skills
 - Local First London Living Wage (LLW) paid internships including promotion of World of Work opportunities
- Local First Supply Chain opportunities i.e. first consideration to businesses within Bunhill, to provide the following key services (list not exhaustive):
 - Catering
 - Cleaning
 - Maintenance
 - FM
 - Security
 - Digital Marketing
 - Office Supplies
 - Printing
- Updated notifications to tenants of locally based corporate volunteering schemes with council signposting to local stakeholders e.g. Soapbox; St Luke's Centre

The Applicant is committed to performance reporting. The Applicant will undertake quarterly monitoring, with an annual report to be submitted to LBI to ensure continued effectiveness and maximum local impact based on most up to date needs.

5. Conclusion

Working with council officers and key stakeholders, the Applicant has produced this DRAFT Local First Social Value Plan. The Applicant will continue to collaborate with LBI Officers and other key stakeholders to reflect the evolving needs within the local community in developing a FINAL version of this Plan to be submitted 18 months prior to Practical Completion of the development.



Table 1 – Funded Programmes and Associated Proxy Values

Activity	Target group/s	Participants	Alignment with LBI Missions	TOM System multiplier ¹	TOM System proxy £ value per annum
A. Community and schools World of Work outreach programme to inspire local people to enter knowledge and creative economy sectors, providing talks, taster sessions, CV/interview coaching and skills guidance	Children and young people; care-experienced young people	180 participation opportunities per annum	Child-friendly Islington; Community Wealth Building	NT11: 9 activities per year, each with 20 participants	£37,980.00
B. Council's 11 x 11 cultural enrichment programme	Children and young people	180 participation opportunities per annum	Child-friendly Islington; Community Wealth Building	NT29: 12 activities per year @ 2.5 hours each with 3 facilitators on each activity	£2,976.20
C. Employability programme, with a focus on enabling Islington residents to enter into meaningful employment	Working age population with priority for: persons with disabilities; Black and Global Majority persons; women	At least 20 people per annum into funded internship, apprenticeship and employment opportunities, with over 60% coming from under-represented backgrounds	Community Wealth Building; Fairer Together	NT7: 5 sessions per year @ 2.5 hours each with 10-20 unemployed residents in attendance	£52,750.00
				NT1 Job Outcomes: 7 job FTE starts in the year with:	£299,502.00
				4 job starts for females;	£56,953.84
				2 of those job starts for BAME/Global Majority;	£28,476.92

¹ Taken from [Measurement | Social Value TOM System™ | Social Value Portal](#), as used on the LBI Affordable Workspace Programme

				1 of those job starts for a disabled person.	£16,420.00
				Paid internships (NT13): 7 interns completing 12 weeks each throughout the year	£20,246.00
				Apprenticeships (NT10): 6 apprentices completing 52 weeks each throughout the year	£69,909.84
D. Specialist mentoring and incubation support for tech/creative/green businesses	Entrepreneurs, with priority for: persons with disabilities; Black and Global Majority persons; women.	At least 15 new and growing businesses supported per annum, with a minimum of 50% from under-represented backgrounds.	Community Wealth Building; Fairer Together	20 hours (10 sessions @ 2 hours each) delivered by 2 experts	£26,464.00 ²
Annual SV Proxy Value					£611,678.80
Total additional SV Proxy Value over 3 years					£1,835,036.40³

² To note: this figure is low relative to the value of new businesses generated through an incubator programme. The proxy value of £26,464 only reflects the direct impact of business advice provided to entrepreneurs – not their greater value to the economy. Additional value could be realized if the start-ups secure investment, potentially leading to significant growth, new local jobs, new business rates income, etc. depending on the types of knowledge economy businesses supported. Work is ongoing with Social Value Portal to develop a metric that captures the value of the growth of new businesses, particularly those led by under-represented entrepreneurs.

³ It is likely that the proxy value delivered will exceed this estimate of £1.8m over the period of the programme, with additional social value generated by activities such as corporate and expert volunteering from tenant businesses. However, as stated above, it is not prudent to include this in calculations prior to tenant ESG commitments have been confirmed.

Table 2 – Resourcing Allocation / Costing of Social Value Contribution

Delivery costs	Detail	Cost (per annum)	TOTAL (3 years)
Programmes	Employability, pastoral support and paid internships	65,000	£195,000
	Incubator, ideation and business development programmes	120,000	£360,000
	Events and community engagement (exhibitions; networking events; hackathons; etc.)	35,000	£105,000
Staffing	Community employment adviser; Employer engagement adviser; Management overheads	140,000	£420,000
TOTAL		£360,000	£1,080,000