

MUNICIPAL YEAR 2019/2020 REPORT NO. 212

MEETING TITLE AND DATE:
Cabinet: 11 March 2020

REPORT OF:
Sarah Cary
Executive Director of Place

Agenda – Part:1

Item: 7

Subject: Meridian Water Employment Strategy

Wards: Upper Edmonton
Key Decision No: KD 4881

Cabinet Member consulted:
The Leader

Contact officer and telephone number:
Simon Gardner, Socio Economic Lead – Meridian Water +44 208 132 1142
E mail: simon.gardner@enfield.gov.uk

1. EXECUTIVE SUMMARY

- 1.1 On 25th July 2018, Cabinet authorised the Meridian Water Employment Approach report (KD 4717).
- 1.2 This report suggested that a further report would be brought to Cabinet to propose an Employment Strategy for Meridian Water. This strategy is now attached as Appendix A and Cabinet are asked to endorse and approve this.
- 1.3 Outputs that will be delivered by the strategy include:
 - 6,000 new jobs created at London Living Wage or above
 - 250+ local people into construction jobs, sustained for 25 years
 - 1,000 SME's Supported
 - 1,000 jobs created through Meanwhile Uses
 - target of securing £390 million of contracts to employers in Enfield and adjacent boroughs over the lifetime of the programme
 - 60,900+ square metres of new commercial space
- Employment Themes Outcomes:
 - Outcome 1: Create 6,000 high quality jobs at London Living Wage or above
 - Outcome 2: Create 1000 construction jobs, sustained over 25 years, of which no less than 25% will be from local labour.
 - Outcome 3: Enable local Enfield employers to Supply Meridian Water, starting with its construction, with no less than 10% of all investment benefiting local employers.
 - Deliver 1,000 new high-quality jobs through Meanwhile Employment Uses on land intended for redevelopment, where possible rehoming these businesses within the new development

2. RECOMMENDATIONS

- 2.1 To approve the Meridian Water Employment Strategy.
- 2.2 To note, at paragraph 3.15, that masterplanning and financial modelling will be undertaken on employment land uses and a report brought to Cabinet if a revised land use mix materially alters the baseline financial model.
- 2.3 To delegate approval of the follow up Meanwhile Use Strategy to the Meridian Water Programme Director.

3. BACKGROUND

- 3.1 On 25th July 2018, Cabinet authorised the Meridian Water Employment Approach report (KD 4717).
- 3.2 The July 2018 report stated that the strategic priority for Meridian Water was to secure thousands of high quality jobs offering higher salaries. This report described the emerging Meridian Water employment vision and recommended activating employment uses across a number of sites to secure both permanent and interim employment opportunities in order to begin to realise the first stage of creating employment at Meridian Water.

Meanwhile Update

- 3.3 The July 2018 report also proposed and sought approval for meanwhile uses on Meridian Water. The first was to combine the sheds and the Ikea Clear land in a night-time economy proposal with the open area and sheds providing excellent potential for event and festival space. Members will be aware of the success of the meanwhile lease to Broadwick Venues Limited at the Orbital Sheds at, what has since been rebranded The Drumsheds, with Field Day last year hosting nearly 30,000 festival goers, Field Day for 2020 announced for 11th July and a number of hugely successful events since with approximately 7,000 people per event attending. The Drumsheds is now the biggest nightclub in London which is a significant achievement for the Borough as prior to the Drumsheds opening Enfield was considered the only Borough in London without a night time economy.
- 3.4 The 2018 report also referred to Meridian Works which is the arrangement to work with Building BloQs and the GLA to increase the footprint of the maker space that they provide for the creative community they service. BloQs provide professional affordable workspace to its members without the overheads. Use of workshop facilities is pay-as-you-go, so members only pay for what they need. It's an ideal way of working for individual makers, start-ups and small businesses. The Meridian Works aim is to redevelop the VOSA site and move BloQs into this building in approximately 12 months' time. We are pleased to say that BloQs received planning permission for the redevelopment on 19th December

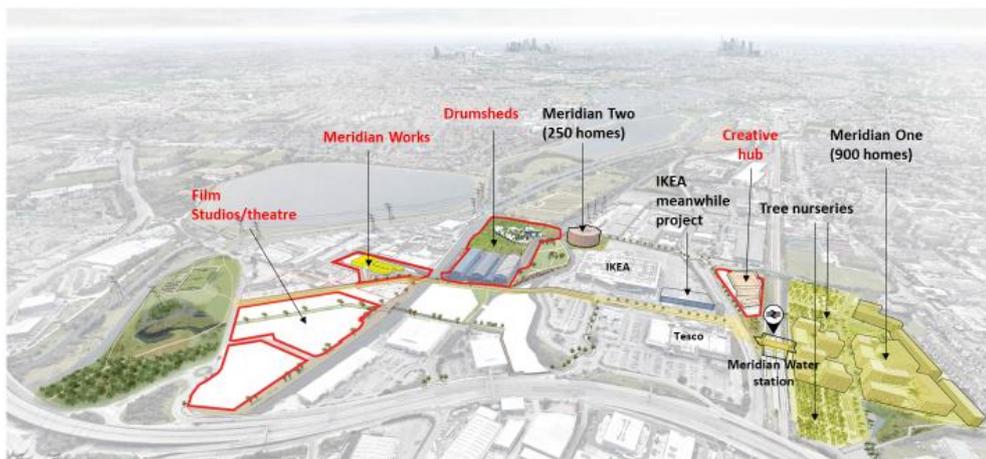
2019, and work started on enabling the site in January 2020. This work increases space they provide by c.2000 square metres, allowing their membership to increase from c600 to c1000 with many more members accessing the facilities at any one time.

- 3.5 As well as BloQs and the Drumsheds developments, meanwhile uses have been sought for the Teardrop site just south of the Meridian Water station, and the Stonehill Site on the East Bank. Following a marketing exercise, the Teardrop site now has a preferred bidder who we are finalising heads of terms with and we are progressing to have a lease in place later in March 2020 on a 25 year basis to enable them to provide a Creative Hub encompassing business start up support; nurturing new and developing start up businesses in Enfield. Furthermore, the Creative Hub will also provide event space that could host a market, cinema screening, or sport as well as food and beverage outlets. They will work with the community to create the vision and will aim to be on site in early 2021.

The ten acre Stonehill site on the East Bank was marketed to find tenants that would contribute to the delivery of the employment and placemaking goals of Meridian Water, generate revenue income and support the strategic objectives of the project. The northern Stonehill site has been let to North London Waste Authority (NLWA) who are providing an ongoing income stream. The middle larger area of Stonehill will be let, subject to approval and lease negotiations, to a company who will have a lease for circa 15 years and will initially use the site for filming only and then additionally for a circa 2,000 seater theatre space, they are also planning to bring a skills academy to the site to train up local people to access jobs in the film industry.

The plan below captures how the meanwhile uses are expected to come together across the site over the next few years.

Meanwhile masterplan



Employment Strategy Overview

- 3.6 The employment delivered at Meridian Water will have a vital role to play in achieving the overarching vision of the Meridian Water Place Charter. Most explicitly, the Placemaking Pillars: Your Place to Make and Create and Mixing Uses; Animating Streets. Further, the Place Principles refer to a *thriving new economy and prioritising benefits for local people...working with existing opportunities, and...responding to the changing needs of local people and society.*
- 3.7 Broad themes that have emerged as part of our approach include:
- To generate over 6,000 new high-quality jobs paying London living wage or above through new employment space
 - To offer new employment opportunity in higher skilled areas, growth sectors
 - To enable employment uses to be within mixed-use areas (potentially including residential and community uses) creating a vibrant environment that is safe, secure and aspirational for future generations in Enfield;
 - To attract major companies and institutions to relocate to Meridian Water
 - Nurturing SMEs; including makers and creators
 - To contribute to wider corporate objectives in Corporate Plan including public health, young people, tackling poverty, culture, and a night time economy;
 - To provide the Council with a sustainable revenue income;
 - Complement the marketing of the residential offer; and
 - To support the priorities set out in key Meridian Water strategic plans including: The ELAAP, Place Vision and the new masterplan vision.
- 3.8 This report seeks approval of the Meridian Water Employment Strategy that sets out the approach to delivery of the outcomes through permanent employment in our commercial space, supply chain benefits to Enfield businesses, meanwhile employment space and through construction employment. This occurs over three distinct but interdependent eight year phases.
- First phase “young neighbourhood”– meanwhile uses established and ground floor being built out and occupied, significant construction jobs impact (Timescale: 0-8 years)
 - Second phase “traditional offer” – meanwhile uses continue, growth of office offer, assisted by standalone employment space built out with strategic occupier(s), growth of retail, food and beverage and other services (Timescale: 9-16 years)

- Third phase “mature business environment” – Meanwhile phased out, presence of one or more strategic occupiers with established office offer, 6,000 jobs (Timescale: 17-24 years)

3.9 The proposed Employment Strategy is attached at **Appendix A**. It states our target for 6,000 net additional jobs by the time Meridian Water is delivered and in addition to these permanent jobs there will be other meanwhile and construction jobs. In addition, there will be benefits to Enfield employers through the construction supply chain, supporting job growth. Cabinet are asked to endorse and approve this Employment Strategy for Meridian Water. The report outcomes stated are:

- Create 6,000 permanent, high quality jobs paying London Living Wage or above, of which no less than 25% will be from local labour
- Deliver 1,000 new high-quality jobs through Meanwhile Employment Uses on land intended for redevelopment, where possible rehoming these businesses within the new development
- Enabling local Enfield employers to Supply Meridian Water, starting with its construction, with no less than 10% of all investment benefiting local employers
- Deliver 1,000 construction jobs, sustained over 25 years, of which no less than 25% will be from local labour

3.10 This Employment Strategy sets out the key principles that govern future employers at Meridian Water, these include; high quality, ethical, Council's revenue position, and sustainable jobs, fostering of an inclusive workforce that values diversity and that are public health orientated. These principles are more important than attracting specific sectors, for example ethical, environment and sustainability are more important than achieving a pharmaceutical or media based strategic occupiers. Outputs that will be delivered by the strategy include:

- 6,000 new high-quality jobs created at London Living Wage or above
- 250+ local people into construction jobs sustained for 25 years
- 1,000 SME's Supported
- 1,000 jobs created through Meanwhile Uses
- £390 million of contracts to businesses in Enfield and adjacent boroughs over the lifetime of the programme
- 1000s of square metres of new commercial space

3.11 At the same Cabinet meeting in July 2018 but as part of Key Decision 4033, Site 3, the northern area of Stonehill was identified as a possible site for an early employment hub for speculative pre- lets. We haven't progressed the employment hub as our 'Meanwhile use' approach is activating the east bank and delivering jobs and since the July 2018 report our strategy has evolved so that SMEs are accommodated on the ground floor of the residential buildings rather than accommodated in a

standalone building with a large footprint – such standalone buildings are prioritised for high value job creation.

- 3.12 Meridian Water will provide a range of employment space uses and sizes and these will target need identified within the borough for Small to Medium Size Enterprises to seed, grow and flourish within the regeneration area. Meanwhile uses will have a significant role to play in providing employment space on land and buildings intended to be redeveloped, ensuring the early delivery of new employment. Temporary and meanwhile land uses will be used to create a sense of place, accelerate regeneration efforts, and play a role in the transformation of Meridian Water from the start of the project. Employment space will be delivered in the ground floor units and aimed at independent small businesses from within the Borough and further afield. Employment uses will include retail and food and beverage outlets as well as office space, co-working space, small creative studios, light industrial uses and maker spaces. The Strategy outlines an indicative mix of different volumes of employment space types to inform spatial design through the masterplan, and modelling of financial implications. The strategy has been developed with officers from the Meridian Water team and consultants from Hatch Regeneris, officers from across the Council's Place, People and Resources Departments have input to its development.
- 3.13 Members are aware that the East Bank of the Meridian Water site has a Strategic Industrial Land (SIL) designation The London Plan (old and pending) states that development proposals within or adjacent to SIL should not compromise the integrity or effectiveness of the location in accommodating industrial-type activities. This Meridian Water Employment Strategy is written in anticipation that SIL will be released within 12 years, and relocated elsewhere in the Borough, hence the creation of longer meanwhile leases on this land which are SIL compliant. The SIL release on Meridian Water East Bank will however be tested through the new local plan process.

Next Steps and Implementation

- 3.14 If members approve the strategy, officers will develop a detailed action plan that implements the strategy's aims and objectives and measures progress against targets. Updates will be regularly reported to senior Officers and the Cabinet Member for Meridian Water. Where targets aren't being achieved a review of the Council approach will be undertaken to ensure local people are benefiting from the jobs that will be created. Further work will develop from this employment approach including a Skills Strategy.
- 3.15 The Strategy includes an indicative land use employment profile which sets out one scenario for how the 6,000 permanent jobs can be achieved across different typologies. The indicative employment profile differs from the mix set out in the ELAPP and confirmed in the baseline financial

model. Prior to deciding whether to revise the mix further masterplanning and financial modelling will need to be undertaken. If a revised mix is proposed then a report will be brought back to Cabinet seeking authority to update the baseline financial model and subsequent planning documents.

- 3.16 In developing the strategy it has become clear that the Meridian Water Team need to further develop our approach to meanwhile use in the form of a Meanwhile masterplan that will be brought to the Programme Director of Meridian Water.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The alternative is not to make the most of the Meridian Water Development by not looking to create employment opportunities for residents. This goes against the Council's objective to improve resident's life chances so has been discounted.

5. REASONS FOR RECOMMENDATIONS

- 5.1 To endorse and approve the Councils approach to employment at Meridian Water including Construction, Meanwhile and Permanent Jobs over three distinct but interdependent 8-year phases. Making sure residents are the key beneficiaries of the approach thereby increasing the life chances of Edmonton residents.
- 5.2 Endorsement and adoption of this Employment Strategy for Meridian Water will deliver against two of the Meridian Water Placemaking Pillars: Your Place to Make and Create and Mixing Uses; Animating Streets.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

Completed by AL – 21.01.2020

- 6.1.1 The recommendation within this report is to approve the Meridian Water employment strategy, which will set the overarching vision to deliver employment opportunities, prioritising benefits for local people and responding to the changing needs of local people and society
- 6.1.2 Approving the employment strategy does not have any financial implications, but a detailed action plan and modelling of employment uses will help to inform the financial model work to be developed further through masterplanning activity in the summer.
- 6.1.3 The sites acquired within the Meridian Water boundary, which will not be developed in the short to medium term will be rented out to generate Meanwhile income, until the site becomes ready for development. These sites are currently being rented out in order to support the placemaking

strategy for Meridian Water, or to maximise income to the Council. Sections 3.3 and 3.4 detail the sites and businesses that are generating income and contributing to the placemaking strategy on the site.

- 6.1.4 The Council is currently generating meanwhile income, which is expected to increase in future years as the remaining sites are acquired and the Meridian Water profile rises. This income is currently contributing to the Councils revenue budget funding services, which will be reviewed at various points of the development for alternative uses.
- 6.1.5 The Councils employment strategy will be delivered through a combination of ground floor and standalone commercial space. The Council intends to retain ownership of the ground floor space generating a long-term income stream to the Council. The plans for the standalone space are still being developed.

6.2 Legal Implications

MD: 31st January 2020

- 6.2.1 The Council has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided it is not prohibited by legislation and subject to Public Law principles. The Council therefore has the power to approve the Meridian Water Employment Strategy as recommended in this report.
- 6.2.2 Any disposal by the Council of land at Meridian Water (including by way of lease) must comply with the Council's Property Procedure Rules, s123 Local Government Act 1972 and, where relevant, the Local Government Act 1972: General Disposal Consent (England) 2003. When disposing of land at an undervalue, the Council must remain aware of the need to fulfil its fiduciary duty in a way which is accountable to local people and the Council must ensure that the disposal complies with State aid rules.
- 6.2.3 The public sector equality duty under section 149 of the Equality Act 2010 requires the Council to have due regard to: (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010; and (ii) the need to advance equality of opportunity between persons who share a protected characteristic and persons who do not share it. It is noted that an equality impact assessment prepared in connection with the Employment Strategy following approval of this report.
- 6.2.4 For the Council to ensure compliance with the Public Contracts Regulations 2015, there is a need to ensure that the implementation of the principles of the Employment Strategy do not breach the Council's obligation to abide by the principles of non-discrimination, equal treatment and transparency when conducting procurements. Framework agreements carry their own terms and conditions which may not be open to amendments. Therefore, if the Council accesses Framework Agreements

in relation to projects at Meridian Water, the principles of the Employment Strategy may not always be capable of being enforced.

- 6.2.5 Designated employment land at Meridian Water, classified as either Strategic Industrial Land (SIL) or Local Significant Industrial Sites (LSIS), is safeguarded through the Local Plan and the London Plan. Development proposals within or adjacent to SIL at Meridian Water must not compromise the integrity or effectiveness of the industrial nature of the SIL or LSIS. Any de-designation of SIL or LSIS (as envisaged in para 3.13 above) must be managed through a plan-led process. Policy E2 of the Edmonton Leeside Area Action Plan (currently awaiting adoption) details the approach to economy and employment within Meridian Water and is consistent with the objectives of the Employment Strategy.

6.3 Property Implications

- 6.3.1 There are no direct property implications arising from this Employment Strategy report. Further reports will be brought forward and when property transactions are included in delivering employment opportunities Strategic Property Services will comment.
- 6.3.2 It should be noted that employment opportunities created through the use of existing buildings will be impacted by the requirement for buildings to comply with the Minimum Energy Efficiency Regulations (MEES) that state that since the 1st April 2018 it is illegal to let any commercial property with an EPC rating of F or G and which is strengthened on 1st April 2023 when any existing tenancies with an F or G rating will cease and the properties become void meaning no rent can be received if they have an F or G rating.

7. KEY RISKS

- 7.1 Risk : That the framework proposed in the Meridian Water Employment Strategy does not deliver the 6,000 jobs target, or the projected 500+ per year construction jobs being taken by Enfield residents, and/or provide benefit to Enfield Businesses through supply chain opportunities.
Mitigation : A regularly reviewed action plan will be created that will measure progress annually on jobs created, both permanent and construction, and of the total value of contracts awarded to Enfield Business through the supply chain. Where underachievement is identified corrective action will be taken.

8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

8.1 Good homes in well-connected neighbourhoods

The Councils vision for Meridian Water is to create a vibrant and truly mixed-use environment with 10,000 homes, thousands of new jobs and facilities. The Councils Vision for Meridian Water can be found at <https://www.meridianwater.co.uk/> . The entire project is about delivering

good homes in a well connected neighbourhood. The delivery of the station and being granted £156m as part of the Housing Infrastructure Fund demonstrates progress.

8.2 Sustain strong and healthy communities

The Meridian Water Employment Strategy will provide the strategic approach to employment, skills and jobs for the foreseeable future. Together with a regularly reviewed action plan and Equalities Impact assessment the Council will ensure the opportunities afforded by a thriving jobs market increase the life chances of residents in Edmonton thereby supporting strong and healthy communities.

8.3 Build our local economy to create a thriving place

The Councils vision for Meridian Water is to create a vibrant and truly mixed-use environment with 10,000 homes, thousands of new jobs and facilities. A strategic approach to employment, meanwhile uses and construction jobs will provide an opportunity to ensure the Councils aspiration for 6000 jobs are achieved by the end of the project. The meanwhile uses will have a transformative impact on the local economy by creating job opportunities and career pathways in culture and events management sector. The opportunity to engage local people in the construction of the homes and infrastructure at Meridian will increase revenues for local businesses.

9 EQUALITIES IMPACT IMPLICATIONS

9.1 Corporate advice has been sought in regard to equalities and as part of the development of a detailed action plan a predictive Equalities Impact Assessment (EIA) will be undertaken on the Meridian Water Employment Strategy and Action Plan following the approval of this report.

9.2 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably because of any of the protected characteristics. The Council as part of its EIA will consider the needs of these diverse groups when agreeing the employment strategy action plan to ensure that our actions do not unduly or disproportionately affect access by some groups more than others.

10 PERFORMANCE AND DATA IMPLICATIONS

Delivery of a comprehensive regeneration scheme at Meridian Water is a corporate priority within the council's Business Plan. Completion of the Masterplan and the delivery of phased infrastructure improvements including increased rail services, station improvements and new homes will help to meet the strategic priority: "a borough that attracts inward investment and supports sustainable regeneration and growth." The Meridian Water Employment Strategy is an important part of this programme. Future KPI's and a scorecard are being built around Meridian Water and one of the KPI's that will feature on this dashboard will be the

number of new jobs created. The Council will also measure Social Value demonstrating the wider benefits of getting local people into work rather than just the financial benefits.

11 HEALTH AND SAFETY IMPLICATIONS

The Meridian Water Project bringing widespread improvements in transport, accessibility, and comprehensive remediation of contaminated brownfield sites will have positive health and safety benefits for the local community and the future residents, workers and leisure users at Meridian Water.

12 PUBLIC HEALTH IMPLICATIONS

A regeneration neighbourhood at Meridian Water will have far reaching public health benefits particularly from the promotion and expansion of Jobs, public transport (Rail), an expanded bus network and integrated walk and cycle routes. This together with extensive green space and a positive urban environment will continue to develop well-being and improve health at Meridian Water. Access to well paid jobs and a thriving employment market are well known factors in helping reduce deprivation and improve resident's health.

Background Papers

Cabinet authorised Meridian Water Employment Approach report (KD 4717) 25th July 2018

Appendix 1

Meridian Water Employment Strategy