DERWENT
LONDON

# SOCIO—ECONOMIC IMPACT ASSESSMENT OF WHITE COLLAR FACTORY AND OLD STREET YARD

AUGUST 2020

WHITE
COLLAR
FACTORY

SINCE 2013 IT HAS BEEN AN OBJECTIVE OF OURS TO CARRY OUT A SOCIO-ECONOMIC IMPACT ASSESSMENT ON ALL OUR MAJOR PROJECTS ONCE OCCUPIED FOR MORE THAN 12 MONTHS.

WE BELIEVE THIS IS A VITAL PART OF THE DEVELOPMENT'S JOURNEY TO ENSURE IT IS PLAYING ITS PART IN PROVIDING A POSITIVE SOCIO-ECONOMIC IMPACT WITHIN ITS NEIGHBOURHOOD.
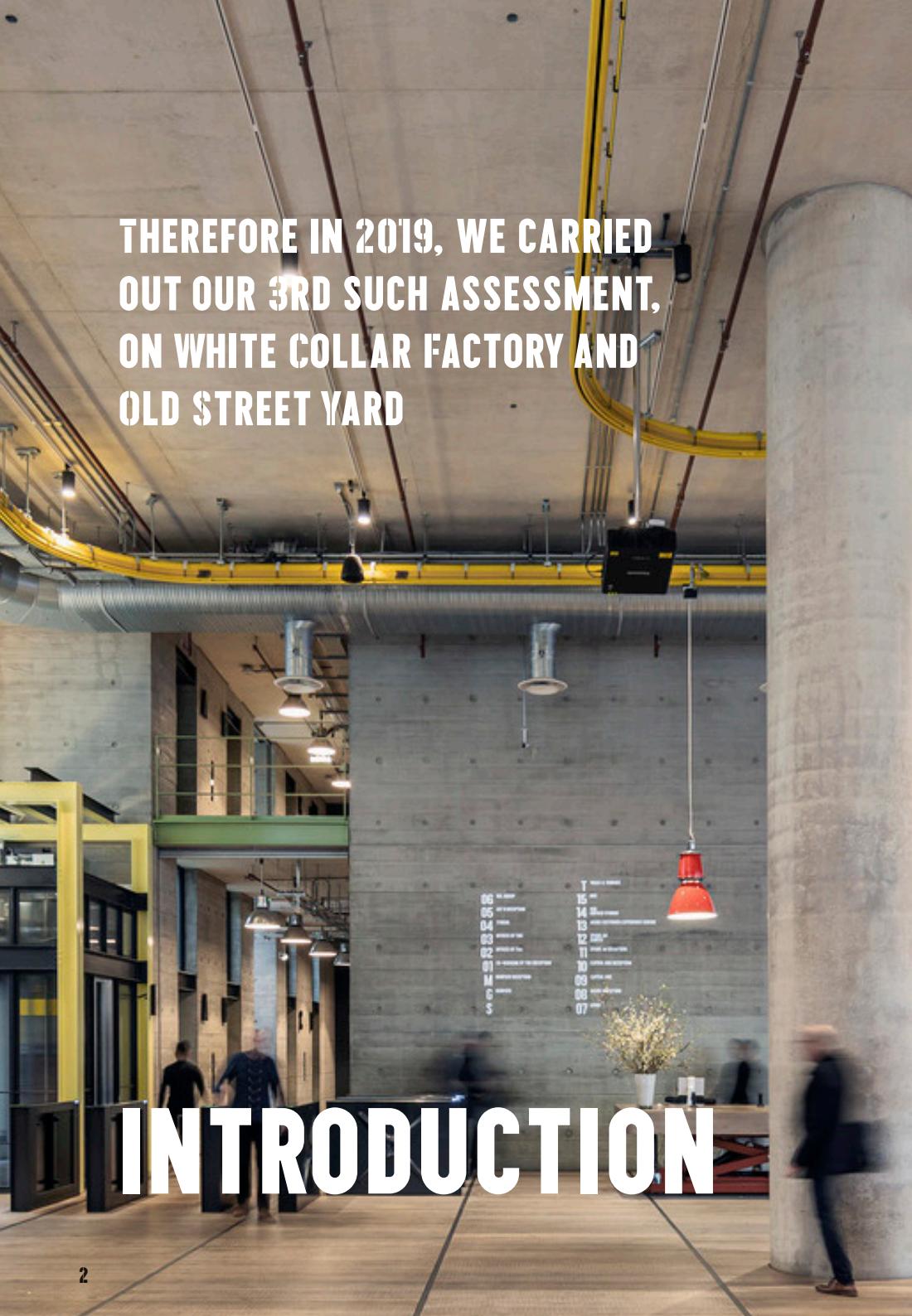
THEREFORE IN 2019, WE CARRIED
OUT OUR 3RD SUCH ASSESSMENT,
ON WHITE COLLAR FACTORY AND
OLD STREET YARD

INTRODUCTION

For this assessment we investigated not only the development's impact upon local stakeholders but, for the first time in our assessments, we also asked them to measure occupier wellbeing. A building's impact on people's health and wellbeing has become increasingly important and therefore it was essential to us that this was included in our assessment.

Also new to this assessment was an exploration into what insights the field of neuroscience could provide. Whilst not a traditional method of understanding how people interact with a place it is nonetheless a complementary way to gain further understanding into how a place can enhance people's lives and provide the best possible environment in which they can live and work.

This document not only sets out the results of the assessment but also, through a series of recommendations, what we can take away to further improve people's experience of White Collar Factory as well as lessons for future developments.

The methodology is set out from page 11.

The approach to this assessment was three phased. A desktop research stage involving a site visit, stakeholder mapping and interviews. This was followed by a period of on-site research which included included surveys on the streets, with local business and with occupiers. Finally, an analysis of data and production of the report.

The research focused on what outcomes and added value, if any, that the development may have had on the immediate neighbourhood and local stakeholders. The analysis then sought to understand its impact from the perspective of its stakeholders. A broad range of stakeholders were chosen to establish a broad base of opinion:

- **On-site employees**
- **Building occupiers**
- **Local businesses**
- **Local residents**
- **Local workers**
- **Local Authority (London Borough of Islington)**

OUR APPROACH

8 Old Street Yard for contributing positively to community wellbeing

7.9 Design and architectural quality

7.6 Quality of public space

7.3 Inclusiveness of public space

10.0
9.0
8.0
7.0
6.0
5.0
4.0
3.0
2.0
1.0

INITIAL FINDINGS

On-street perceptions about the development and how it fits within the local area are high, as evidenced by the positive scores opposite. On-street survey participants were asked on a scale of 1-10 to rate their perceptions with 0 being very poor and 10 being excellent. The main subjects that were remarked upon positively were the green space, pleasant and open areas, feelings of safety, cleanliness and architectural appreciation.

"I LIKE THE BLEND BETWEEN THE OLD AND NEW"

"POSITIVE AS ITS MORE MODERN AND THERE IS A GOOD MIX OF PEOPLE HERE"

We wanted an understanding of whether occupiers are happy in the building and have a sense of wellbeing given the presence of various on-site facilities. Responses indicate that Old Street Yard is having a positive impact on people's self-reported wellbeing and the green space at Old Street Yard is seen as one of the best aspects interacting with people's wellbeing. It can lend itself to a number of uses; a space to rest and take time away from a desk, a space to meet with colleagues for informal meetings, a change of scenery. Its flexibility means that it can be many things to a range of people.

"THE AIRY FEEL OF THE BUILDING HELPS WITH MY OWN PERSONAL WELLBEING"

"I HAVE STARTED CYCLING A LOT MORE TO WORK SINCE THERE ARE GREAT STORAGE FACILITIES HERE"

OCCUPIER WELLBEING

When asked what is most liked about the building occupier comments were positive

"FEELS MODERN AND CLEAN. NICE VIEWS"

7.4 Such opinions have resulted in a high score of 7.4 out of 10 when occupiers were asked to score their feelings of pride at working at Old Street Yard.

"THE ROOFTOP AND CYCLE/ SHOWER STORAGE FACILITIES ARE REALLY GOOD AND MAINTAINED TO A VERY HIGH STANDARD OF CLEANLINESS"

10.0

9.0

8.0

7.0

6.0

5.0

4.0

3.0

2.0

1.0

"CENTRAL LOCATION, ROOFTOP BAR, FEELS SAFE AND VERY CLEAN EVERYWHERE"

7% INCREASE IN FOOTFALL FOR LOCAL BUSINESSES

LOCAL BUSINESSES ESTIMATE THAT THE AVERAGE PERCENTAGE OF THEIR CUSTOMERS WHO WORK AT OLD STREET YARD IS '18%

65% OF LOCAL BUSINESSES QUESTIONED BELIEVE THE AREA HAS CHANGED POSITIVELY SINCE OLD STREET YARD OPENED

ECONOMIC VALUE

We believe it's important for our buildings and the businesses therein to enjoy the local area and, as a direct result, boost the local economy. Results shows that the development is having a positive impact on local footfall and revenue. Local businesses estimate that the average percentage of their customers who work at Old Street Yard is 18% and occupier spend a total of £6,636,800 per annum with local businesses.

OCCUPIER SPEND A TOTAL OF £6,636,800 PER ANNUM WITH LOCAL BUSINESSES.

"I LIKE THAT WE GET DISCOUNTS TO LOCAL RESTAURANTS AND BARS AND COLLABORATE WITH LOCAL BUSINESSES WITH POP UPS ETC"

"GOOD VARIETY OF LOCATIONS TO EAT AND DRINK"

Neuroscience offers an alternative method of measuring how people interact with their environment and the effect a place has on the individual. It can provide a link between place and known biological mechanisms of health and wellbeing.

Attributes in the built environment which interact with the neurological, cognitive, behavioural and mental health of an individual were identified. These include accessibility, saliency, green space, physical commuting, noise and air pollution. These attributes were then applied to the development and the level of impact they have on an individual were assessed.

NEUROSCIENCE

NEUROSCIENCE

ACCESSIBILITY

Effect: An unwelcoming space reinforces the sense of "other" and exclusion which impacts on cohesion and positive wellbeing.

Recommendations: Improved inclusion reduces social and emotional barriers, improves mood and mental performance.

Relevance to the development: It has been designed to create an inclusive space for occupiers and visitors and for others who may want to use the publicly accessible spaces.

NOISE

Effect: Its pivotal location on Old Street roundabout can be seen as a positive in terms of centrality and access however it also brings with it traffic noise.

Recommendations: Noisy environments can lead to cognitive load, impaired processing and learning and can be a source of discomfort.

Relevance to the development: Noise proofing and testing were an integral part of the planning process.

GREEN SPACE

Effect: A lack of green space, common in cities, can contribute to increased levels of stress.

Recommendations: Access to a green space can alleviate stress and can have a positive impact on a person's emotions and thoughts.

Relevance to the development: It has been designed with wellbeing at its heart and includes new green space and outdoor areas for people to enjoy and share.

PHYSICAL COMMUTING

Effect: Physical commuting comes in many forms now and is no longer exclusive to tube and train journeys, although the development's close proximity to Old Street station means many occupiers travel this way.

Recommendations: Cycling and walking can reduce stress, improve mood and enhance cognitive performance.

Relevance to the development: Cycling provisions on site help occupiers to choose an alternative to tube and train journeys.

SALIENCY

Effect: Focus and attention/ distraction: Any sensory input can take precedent over others of both the same sense and of others causing a jarring effect on the senses.

Recommendations: Design, signage and flow can ensure that the most appropriate aspects of the building are the most salient both visually and audibly.

Relevance to the development: The development aims to create an environment in which occupiers can be productive, creative and focused on intellectual work.

"DERWENT LONDON ENGAGE THE LOCAL COMMUNITY AND UNDERSTAND THE NEEDS BETTER THAN ANY OTHER DEVELOPER THEY WORK WITH. HOPEFULLY THEY CAN EFFECT POSITIVE CHANGE"

STAKEHOLDER INTERVIEW

WHAT NEXT?

Our socio-economic impact assessments are not only an exercise to highlight what the building is doing well but to ensure steps are taken to maintain the positives.

Our Tech Belt Community Fund has been supporting organisations in the local area since 2016. Its primary goal is to support grass roots projects that matter most to the local community and that will result in greater opportunity and bring about positive impacts.

The Community Fund is also a conduit for long term direct engagement with local groups. Initial introductions borne out of the Fund have sparked ongoing conversations which enable us to explore ways in which we can help in the future.

The assessment is also a tool for seeking recommendations that can eliminate or mitigate any negative impacts. To this end future plans include projects that continue to build on the site's integration to the local area, for example initiatives that bring together businesses and society to tackle social isolation and loneliness across all age ranges, and work experience opportunities to showcase the sectors and companies that call this area home.

METHODOLOGY FOR THE SOCIO-ECONOMIC IMPACT ASSESSMENT OF WHITE COLLAR FACTORY AND OLD STREET YARD

1.0 Introduction

Derwent London commissioned JLL to evaluate the socio-economic impact of Old Street Yard to understand the net impact (positive or negative) that the building has had on the local area and community.

The overall methodology used was an outcomes-based approach, to evaluate the change that has occurred as a result of the building's development. An outcomes-based methodology measures the change that has occurred compared to if the development or refurbishment has not taken place. It is focussed on long term outcomes rather than outputs – i.e. quantifying what has happened as a result of an activity, rather than quantifying the activity that has taken place. Metrics and points of measurement were informed by previous socio-economic studies and good practice, in addition to relevant document from the UK Green Building Council and BREEAM Communities.

The analysis sought to understand the impact of Old Street Yard from the perspective of its stakeholders who experience change or impact. Identifying what changes are important for stakeholders helps define the most significant and material outcomes for those key groups, and informs the indicators of whether, and by how much, the outcomes are being achieved or not. This helps move the analysis beyond relying only on measures of change in outputs e.g. number of workers or economic value, and thus broadens the evidence base to include measures of change in outcomes as a result of those outputs e.g. improved quality of life scores or improved sense of place.

The research was focused on what outcomes and added value, if any, that Old Street Yard may have had on the immediate neighbourhood and local stakeholders. This included identifying any material effects on residents, local businesses and workers, the Local Authority's objectives for the area, and whether the quality of the immediate location has been enhanced.

It was important to gain a reflective and broad evidence base that could be triangulated by different stakeholders and sources of information, to reduce bias or over-reliance on one viewpoint, or one dominant group.

Therefore, the research approach comprised a blended approach, using quantitative measures (data and surveys) and qualitative evidence (interviews and consultation). This was to best demonstrate if the outcomes and objectives identified were achieved from the development. This involved engagement with a significantly broad range of stakeholders, including:

• Derwent London (head office and on-site employees)
• Building occupiers
• Local businesses
• Local residents
• Local workers
• Islington Council

The study was undertaken between March 2019 and October 2019 and the timeline was dictated by demolition of the nearby Featherstone Building which Derwent London has acquired and is in the process of redeveloping.

The research was conducted in three phases:

Methodology table:

Stage 1 – Desktop research
Project set-up, project review &
one-on-one stakeholder

a)   Kick Off meeting
b)   Site visit
c)   Project document review
d)   Stakeholder mapping
e)   Stakeholder interviews
f)   Desktop research
g)   Data collection plan

Stage 2 – On-site research
Stakeholder engagement & surveys

a)   On-street survey
b)   Local business survey
c)   Tenant survey
d)   Urban design analysis

Stage 3 – Results
Analysis & production of reports

a)   Quantitative data synthesis
b)   Qualitative feedback synthesis
c)   Neuropsychology research
d)   Production of report & methodology
e)   Presentation to Derwent London

2.0 Kick-off meeting
A kick off meeting was held on 8th Novermeber 2018 with John Davies, Head of Sustainability and Helen Joscelyne, Sustainability Manager at Derwent London.

3.0 Site visit
A site visit was held on 18th Novermber 2018 with John Davies, Head of Sustainability and Helen Joscelyne, Sustainability Manager at Derwent London. In addition to a tour of the building, JLL spent time working on site at Old Street Yard and conducted a survey of the local area, taking photos and identifying potential impacts of the building, potential stakeholders for consultation and potential survey locations.

4.0 Project Document Review
A review was undertaken of existing documentation about Old Street Yard to confirm essential information about the building and its potential impacts. The following documents were reviewed:
- Planning Application
- Floor Areas
- Tenancy Schedule
- Tenant staff numbers
- Visitor numbers
- Supplier employee numbers
- Community event schedule
- Property management spend

5.0 Stakeholder Mapping
A stakeholder mapping and prioritisation process was undertaken to identify the key stakeholders that are impacted by and interested in Old Street Yard.
The list of stakeholder groups was created based on: standard categories for stakeholders used by JLL as part of other stakeholder mapping processes, the brief from Derwent London, the site visit and stakeholders engaged as part of previous socio-economic impact assessments conducted by Derwent London.

The stakeholder groups considered were:
- Local residential community
- Local workers
- Local businesses
- Islington Council
- Local elected official
- City Hall
- Tourists and visitors
- Tenants
- Target tenants
- Suppliers
- Local charities
- Local community groups
- Local schools
- Local public organisations (e.g. hospitals)

The priority stakeholders were determined using a stakeholder mapping process which identifies what influence they have over Old Street Yard i.e. the extent to which they can influence the design and continued operation of the building, and what impact Old Street Yard has on stakeholders i.e. the extent to which stakeholders' existence/operation/livelihood or delivery of services is affected by Old Street yard using a scale of 1 to 5:

Impact
1. There is no impact on the stakeholder
2. There is some impact on the stakeholder, but the impact is low i.e. occasional or intermittent impact in one area
3. There is a regular or moderate impact on the stakeholder in more than one area which has a moderate impact on their operation/living/delivery of services
4. There is a high impact on the stakeholder in multiple areas and their operation/living/delivery of services is strongly affected e.g. impacts causing significant time delays, cost or health impacts
5. There is a very high impact on the stakeholder e.g. daily or hourly impact which critically affects the stakeholder's ongoing existence/operation/living/delivery of services

Interest
1. No interest
2. Low level of interest which is occasional or intermittent or restricted to one area
3. Moderate level of interest in one or more areas
4. High level of regular interest in multiple areas
5. Very high level of daily interest

Prioritization was undertaken using the same sources of information as the previous steps and a combined prioritization score was calculated by multiplying the scores for impact and interest. Manual adjustments were also applied using professional judgement to determine the stakeholders to be interviewed ensure that key stakeholders were consulted and to reflect the scope limitations of this research project.

The priority stakeholders identified to be interviewed were as follows:
•   Tenants: Tenants were selected for interview as two of the four elements on the brief focused on understanding the impact of the building on tenant's (their health and feelings of community/cohesion). As Old Street Yard is also a mixed-use building, tenants were also identified as providing perspectives on the multiple uses in the building.
•   Local community groups: Local community groups engage with multiple people and have feedback from their daily interactions with the local community which is often not formally recorded or communicated.
•   Islington Council: Due to scope limitations, Islington Council was interviewed as local authorities have an understanding on multiple socio-economic issues and act as a proxy for the wider local community and multiple stakeholder groups.

6.0 Stakeholder Interviews

Interviews were conducted with priority stakeholders to help identify the socio-economic issues to be researched further in subsequent stages and to provide qualitative feedback on the impact of Old Street Yard to be triangulated with other findings.

- An interview template was created and the following interviews were conducted:
- Caroline Wilson, Head of Inclusive Economy, London Borough of Islington
- Frederico Lopes, Senior Account Manager, Paper Round
- James Dellow, Youth & Innovation Manager, Soapbox
- Rachel Walker, Workplace Solutions, Capital One

Quotations from the interviews are included throughout this report.

7.0 Desktop research

Desktop research was undertaken to verify the impact of Old Street Yard identified by the previous stages.
References to exact sources are provided throughout the text and sources which were reviewed include:

- Age UK
- Business in the Community
- Department for Digital, Culture, Media & Sport
- Environment Agency
- European Union
- Eurostat
- Greater London Authority: London Plan, City Fringe Opportunity Area
- Homes and Communities Agency
- Joseph Rowntree Foundation
- London Borough of Barking and Dagenham
- London Datastore
- Ministry of Justice
- New London Architecture
- NOMIS
- Office National Statistics
- Police
- Public Health England
- The Guardian
- The Lancet
- The London Borough of Hackney
- The London Borough of Islington
- UK Parliament
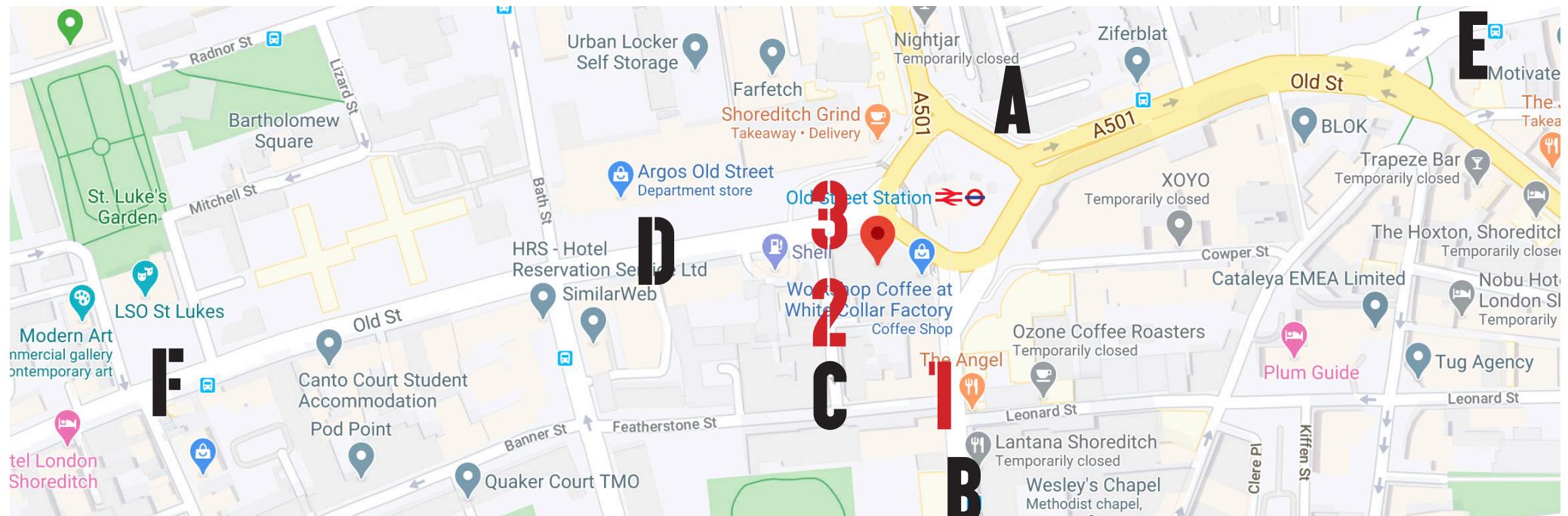- World Health Organization

8.0 Data collection plan

A data collection plan was then created in order to collect data on impacts identified from the previous stages in Stage 2. Details of the data collection undertaken in Stage 2 are provided below.

9.0 On-street survey

On-street surveys focused on perceptions of design and architectural quality, blend with other buildings, public space, quality of the building compared to other buildings, sense of local wellbeing, contribution to reputation of the local area, feelings of safety, access, dwell time and spending patterns.

On-street surveys with residents/workers/students/commuters/tourists and passers-by were conducted around the immediate vicinity of Old Street Yard on 02/07/2019, 03/07/2019, and 08/07/19 2019 between 10:00-12:00, 14:00-15:30pm and 14:00-17:30.

Surveys were designed to measure the impacts identified from Stage 1 and were based on similar surveys conducted by Derwent London previously.

Surveys were conducted by trained market researchers in locations 1, 2, and 3 on the below map.

Sample surveys are included in the appendices and included a mix of quantitative and qualitative questions.
28 completed survey responses were received.

On-street survey location map:

10.0 Local business survey

Surveys of local businesses focused on local spending, business revenue trends and footfall trends.

Surveys of local businesses were conducted around the immediate vicinity of Old Street Yard on 02/07/2019, 03/07/2019 and 08/07/19 2019.

Surveys were designed to measure the impacts identified from Stage 1 and were based on similar surveys conducted by Derwent London previously.

Surveys were conducted by trained market researchers at locations A, B, C, D, and F on the below map. The majority of business responses came from locations A, B, and D as businesses in locations C and F were less willing to participate.

Local business survey location map:
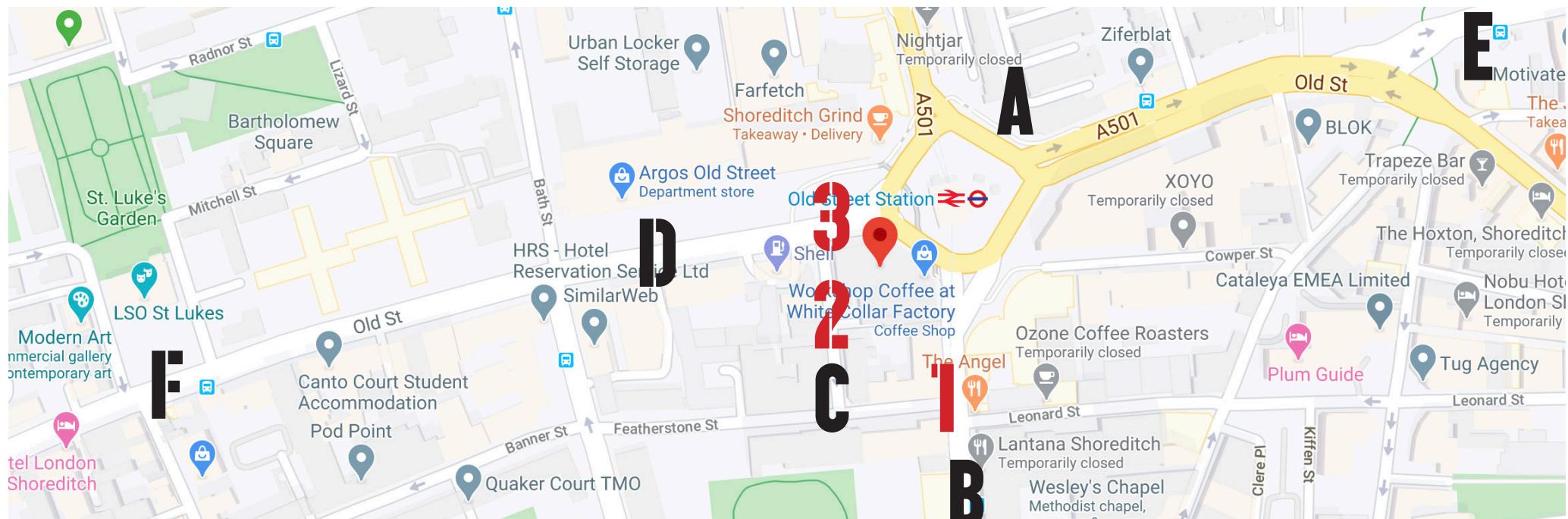
11.0 Occupier survey

The occupier surveys were conducted via secure online questionnaire. An e-mail was sent to a representative of each tenant in advance to obtain approval to conduct a survey of their employees and to encourage responses. A small incentive was offered to encourage participation and no personal data was required for submission.

34 responses were received.

12.0 Urban design and impact analysis

Qualified, experienced assessors from Envoy Partnership carried out an urban design and impact analysis. The analysis itself assessed the building's fit and sensitivity of design with the urban and historic fabric of the immediate neighbourhood around Old Street Yard.

This was to triangulate evidence of integration from qualitative interviews and surveys with residents, workers and business, as well as to ensure that any gaps in impact were identified.

The assessment seeks to measure how well the building relates to its urban environment, as well as the human behaviour allowed for by its design and that of the urban surroundings. The method of assessment used looks at human behaviour (access and engagement) which can be more objectively measured, and the perception of the environment (quality/contrast of architecture) which is more subjective and dependant on the assessor's experience in the field.

Access

The pattern of the streets and thoroughfares were analysed in the vicinity of Old Street Yard, an area ranging from its immediate perimeter to a defined radius, up to a maximum of 500 metres. The amount of footfall around the building was then observed. The assessor returned to the same positions several times during the observation period.

Engagement

The level of interaction passers-by/people had with their environments was measured through direct observation of the type of activity people were engaged in. Interaction with the environment was observed, not social interaction with one another. This was then related to the building/urban surroundings by indicating it on a map through the scale described below:

1. Almost no one around
2. Commuter foot traffic, no stopping
3. Walking/Window Shopping/Resting outside of buildings/ Viewing buildings and artwork
4. Working in public view/some people in shops and buildings (able to be seen from the street)
5. Shops/café's spilling out onto street/open air market stalls/ many people in shops
6. Larger congregations of people engaged in a single activity, performances, and assemblies

Note that this is distinct from Access; there were areas where large amounts of people flowed but with no engagement with their surroundings (i.e. people would use a route solely as a thoroughfare).

Quality (of materials) and contrast of architecture
The quality of the building was carried out through visual assessment via the identification of materials used, an assessment of how the building has weathered over the years and its upkeep.

Contrast
The contrast with the existing townscape or 'urban fit' was assessed through visually assessing the surrounding buildings and streetscapes. This took into account: materials, scale, building alignments, fenestration and plot widths of the building in comparison to those same factors in its surroundings. A grading of high, medium and low contrast was then provided to compare against survey perceptions on how well the building blends with, compliments or enhances its setting.

13.0 Psychology and Neuroscience research
A literature review was undertaken of cognitive, behavioural, clinical and neuroscientific psychological research, by an expert trained in psychology. These four areas of specialism were selected due to their close relationship with how people understand and interact with the fabric of a physical place.

Interactions between the attributes of our physical environment and the mechanisms of the brain are well documented in neuroscience, which is concerned with how different areas of the brain correspond to mental processes, and how these interact with the environment.

Attributes in the built environment which interact with the neurological, cognitive, behavioural and mental health of an individual were identified and the level of impact that Old Street Yard has on an individual was assessed on a Low, Medium or High scale. Recommendations were made from insights gained via scientific research on how and why these interactions occur, and how Old Street Yard may adapt to change outcomes.

14.0 Comparison against other socio-economic impact studies
A desktop review was undertaken of existing socio-economic impact studies on office assets and other mixed-use real estate developments. The studies identified were:

- Derwent London: Assessing and communicating the socio-economic benefits of the Angel Building and Buckley Building Socio-economic Assessment & Methodology
- British Land: Regents Place at 30 and Broadgate Legacy – A Two Year Review
- The Crown Estate: Our Contribution
- The Crown Estate & Land Securities: Westgate Oxford– Total impact report and Total impact report: one year on
- Hammerson: Demonstrating the True Value of Shopping Centres and True Value of Retail
- Land Securities: Trinity Leeds – Local impact report (construction) and Local impact report (operation)
- The Berkeley Group: Creating Strong Communities assessment of Empire Square, The Hamptons, Imperial Wharf and Knowle Village
- Argent: The Economic and Social Story of Kings Cross

DERWENT
LONDON

DERWENTLONDON.COM/RESPONSIBILITY/SOCIAL

AUGUST 2020