

Peckham Rye Station Square and 82 Rye Lane / 2-10 Blenheim Grove

Addendum to the Sustainability Assessment

1.1 Introduction

1.1.1 This addendum consolidates the information in this application in relation to the sustainable economic and social impacts of this proposal. This document considers the potential impacts arising from the proposal and addresses impacts in relation to themes which have been identified as relevant to these proposals and the local context. These themes have been identified through policy review, review of baseline evidence and consultation evidence.

1.2 Business

1.2.1 Responses to the business survey carried out as part of the EqlA show that a diverse range of businesses operate within the site. However, there are notable differences in the types of businesses run by different ethnic groups. In particular the responses show that food retailers, fast food outlets, and hair and beauty salons are predominantly BME-owned businesses. The site visit in February 2015 confirmed that there has been very little change to the business profile of the area since the surveys were undertaken in January 2014, and that many of the businesses on the site – such as the hair and beauty salons at 2-10 Blenheim Grove – cater primarily to customers of African and Caribbean heritage.

1.2.2 The business survey responses confirm that there is a strong desire among all business owners to continue operating their businesses following the proposed development. Southwark Council has committed to an approach of evolving a design with local stakeholders, and the CoDesign process has highlighted the importance to the local community of protecting independent shops and businesses.

1.2.3 The development is intended to be phased to allow some of the current occupiers the opportunity to be relocated during the development. The Council's strategy is to negotiate with leaseholders to find alternative premises either within the scheme if possible or elsewhere, to minimise the impact on the occupier and the overall cost to the council of the Compulsory Purchase Order (CPO) required to take possession of the development site.

- 1.2.4 Site specific guidance set out in the PNAAP for site 6, Peckham Rye Station, states that units in the railway arches and Blenheim Grove should be retained for business use. The proposed development scheme includes provision for a number of new commercial units that are designed to be flexible in order to accommodate a range of potential uses, in the refurbished railway arches and at 82 Rye Lane/2–10 Blenheim Grove. The units to be provided in the railway arches will open out onto the station square, and will accommodate a range of uses, predominantly retail. The building on Blenheim Grove will be designed to maximise the opportunity for the relocation of existing businesses.
- 1.2.5 It is unclear at this stage what proportion of existing businesses can expect to be relocated within the proposed development scheme. There will not be as much floorspace as is currently provided on site, but Southwark Council has stated that current occupiers will either be relocated within the new scheme, nearby in Peckham, or at a location of their choice¹. It is considered that the successful relocation of existing businesses will depend, in part, on the flexibility of individual businesses, some of which are quite specific in terms of where they consider an appropriate location for their business to operate successfully, as well as the ability and willingness of business owners to engage in the redevelopment process.

1.3 Potential implications for businesses as a result of the redevelopment

- 1.3.1 Several common issues of concern were raised by business owners. For example, the affordability of commercial rent both on the redeveloped site and at other locations was identified as a key concern. This is especially significant given that the relative affordability of commercial rents was identified by survey respondents as a strength of Peckham Rye as a location for business. In particular, there was uncertainty among business owners in terms of the cost of commercial rents for the new units and the implications this would have for them in terms of being able to afford to continue running their business either in the locality or nearby.
- 1.3.2 In March 2015, business owners expressed concern over a lack of clarity with regards to the development scheme, as well as lack of information on the timescales of the development and associated relocation, and a lack of information on the compensation measures available. Since March the Council has addressed this and appointed independent business advisors to, Tree Shepherd, who have a dedicated Business Networker on site one day a week. Their role is to network intensely with the target businesses and engage them in the support offer and discuss their needs as well as

¹ Email communication from Southwark Council, received 25/02/2015.

distribute information to businesses on timescales, phasing and advise on them on the implications of the development.

- 1.3.3 Southwark Council has stated its ambition that the refurbished railway arches and building at 82 Rye Lane/2–10 Blenheim Grove will, as far as possible, provide the opportunity for the relocation of existing businesses. Current commercial rents in the proposed development area are relatively high, and there is little evidence to suggest that rents for these new units will be prohibitively high².
- 1.3.4 Whilst it is acknowledged that the proposal will result in the loss of A class floorspace, the quality of the new spaces within the Blenheim Grove building and the station forecourt will provide a better employment offer, job security and will encourage spending in the area. This will assist in improving the economic vitality and vibrancy of Peckham, particularly as the accommodation is suited to Small and Medium Enterprises (SMEs).

1.4 Employment

- 1.4.1 65% of business survey respondents (EqIA 2015) identified themselves as belonging to a BME group, including 41% who identified themselves as Black or Black British. In terms of the ethnic composition of employees of businesses in the area, 53% of businesses surveyed had some Black or Black British employees, 41% had some White Employees, 35% had some Asian or Asian British employees, and 23% had employees of a mixed ethnic background.
- 1.4.2 The redevelopment will provide new commercial space, including better quality retail units. This will generate new employment opportunities for local people, including in arts and creative industries which may move to the new workspace to be provided in the Blenheim Grove building.
- 1.4.4 The proposed development may also generate new employment suitable for local people from different BME backgrounds. The Council is developing a separate project, 'Peckham Palms' which will provide a bespoke Afro-Caribbean hair and beauty centre in close proximity to the development site. This scheme, once built, will provide a relocation option for many of the hair and beauty businesses currently operating within the site as well as generate new employment and training opportunities for this industry.

² Email communication from Southwark Council, received 25/02/15. It should be noted that the survey did not include any questions about current levels of rent paid by businesses, due to potential sensitivities.

1.4.5 The scheme will provide 284m² of flexible office accommodation or 'co-working' space for businesses within a Major Town Centre. This will assist in improving the economic vitality and vibrancy of Peckham, particularly as the accommodation is suited to SMEs and generating additional jobs.

1.5 Goods and services

1.5.1 The area around the station and Rye Lane is known as a hub for shops and businesses that provide specialist goods and services for people of African and Caribbean origin and other culturally diverse groups of customers. Responses to the business survey show that the majority of BME business owners within the station area provide services that cater primarily to people from a shared ethnic background. Evidence from the February 2015 site visit suggests that there has been very little change to the business profile of the area since the surveys were undertaken in January 2014.

1.5.2 A number of the business survey respondents highlighted that the station area is known for providing African and Caribbean products with strong links to cultural identity, and consequently expressed concern over the potential loss of such services following the proposed development. Furthermore, several BME owners raised concerns over a potential loss of community cohesion as a result of changes in the types of services that would be offered following the redevelopment.

1.5.3 This concern was shared by a number of BME customers who expressed concern that the proposed redevelopment would result in a change in the type of businesses present, which would affect the character of the area. BME customers also commented that they may be obliged to travel to other areas of London in order to purchase ethnically specific goods or services if the businesses currently located on the proposed development site were to close. However, it is notable that Rye Lane is also a destination for these goods and services.

1.5.4 Southwark Council have stated their ambition that the refurbished railway arches and building at 82 Rye Lane/2–10 Blenheim Grove will provide the opportunity for the relocation of existing businesses. However, there will not be as much floorspace as is currently provided on site. It is currently unclear what proportion of existing businesses can expect to relocate into the new development. Alternatives are likely to be available on Rye Lane, such as within the 'Peckham Palms' development, or elsewhere in Peckham. The Council is working with businesses to find alternative accommodation within the town centre and have appointed a local agent to provide monthly updates on available premises. Appointed

business advisors, Tree Shepherd, will be able to provide businesses with support, advice and information on relocation options within the Town Centre.

1.6 Facilities

7.6.1 Southwark Council has stated that a key aim for the proposed redevelopment is to improve the public realm in the area surrounding the station, which is currently of low quality. With the exception of a church, the station area currently includes limited community facilities. Although opposition to the development was stated by a number of the business and customer survey respondents, there was support for the scheme in terms of its capacity to improve the provision of facilities and the overall amenity of the area.

1.6.2 The proposed redevelopment is expected to result in significant improvements to the public realm through the creation of a new public square in front of the station which will provide space and a better sense of connectivity between the station and the town centre. It is considered that the proposed redevelopment will contribute different cultural benefits for different groups.

1.6.3 The new public square and associated landscaping and public realm improvements will vastly improve accessibility in and around Peckham Station. It will provide an inclusive and inviting landscape that will benefit the economic vitality of Peckham by creating an attractive shopping environment.

1.7 Conclusion

1.7.1 The opportunity for realising extensive positive externalities in the form of increased employment opportunities, improved growth in the retail environment, and incentives for further private sector investment in the town centre underpins the sustainable rationale for this scheme

1.7.2 The proposed development will enable the delivery of a new station square for Peckham. As stated in the vision of the Saved Southwark Plan, this proposal is a key aspiration for the evolution of Peckham as a major town centre in the borough. The loss of retail floorspace is essential to enable the delivery of significant social and economic benefit. Furthermore, enhanced retail accommodation will be provided on and options are being actively considered to re-provide additional A class accommodation nearby (specifically the 'Peckham Palms' development), improving the Site's vitality overall within the Peckham area. The proposal will increase economic activity as well as generate opportunities for

local people by upgrading the existing environment and creating high quality trading conditions to uphold Peckham as a destination for working, visiting and living. It is therefore considered that scheme will provide sustainable economic, social and environmental benefits to Peckham Town Centre.

- 1.7.3 While this EqIA has identified a number of potential negative impacts for BME groups, by drawing on the baseline information and the information on the proposed scheme, this assessment identifies a number of potential benefits of the redevelopment, which are expected to affect people across a broader range of protected characteristic groups. The potential benefits of the redevelopment have been identified as: new business opportunities potentially generating new employment opportunities for local people; improved accessibility of public realm and streetscape; and improved public safety.
- 1.7.4 The redevelopment is also expected to result in improvements to the accessibility of the public realm, streetscape and safety, particularly through the creation of the new station square providing increased circulation space for pedestrians, and better connectivity to the town centre. In addition, retail units in the railway arches will have 'active frontages' fronting the square, and improved lighting and way finding will be provided. In order that older people, young people, women and children in particular benefit from improvements, it will be important that the Council (and Network Rail, where appropriate) effectively communicate the new lighting and other safety measures that are being designed into the development scheme.