



REGENERIS

The Economic and Social Story of King's Cross

**A Final Report by
Regeneris Consulting
November 2017**

Argent LLP

The Economic and Social Story of
King's Cross

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Securing Economic & Social Value at King's Cross:

Notable Achievements to Date

1. **£3bn construction spend, including £590m in London supporting 1,300 jobs**
2. **300 local suppliers in Central Impact Zone supporting 500 jobs**
3. **New construction training facility strengthening the local labour market and providing 600 apprenticeships and 450 NVQ L2 skills supports**
4. **97% occupancy of commercial property completed**
5. **8,500 people now working on the Kings Cross site**
6. **50% increase in jobs across the Central Impact Zone¹ over 5 years (vs18% in London)**
7. **65% increase in 'knowledge' employment in Central Impact Zone (vs 22% in London)**
8. **Specialist recruitment and training project, KX Recruit has supported over 600 people into work since 2014, including 400 local people**
9. **Up to £100m of additional business rates income pa once complete**
10. **Over 300 residential units delivered to date (36% of all) have been either affordable or alternative provision², compared to inner London average of 25%**
11. **£77m of additional local spend per year from new residents in the estate**
12. **Footfall of around 7.5 million during 2016**
13. **163 events on site during 2016**
14. **600 young people & 420 business volunteers supported to volunteer in 2015/16**
15. **Total wellbeing benefits in excess of £12m enabled by volunteering, youth group and exercise programmes at King's Cross**
16. **Over the past decade, King's Cross has outperformed other inner London 'Opportunity Areas', in terms of employment growth & growth in residential and commercial values.**

¹ The Central Impact Zone covers the areas immediately surrounding King's Cross and was defined by Argent to help track the local impact of the development. A map of the CIZ is provided in Appendix B.

² This covers a range of affordable models and other typologies such as supported housing.





Executive Summary

Executive Summary

- i. King's Cross is often celebrated as one of London's regeneration success stories. To date however, there has been no attempt to quantify the benefits of the development and the added value of the specific approach that the King Cross Central Limited Partnership (KCCLP), Argent and wider partners have taken.
- ii. In this context, Regeneris Consulting was asked to review the input of KCCLP, Argent and partners at King's Cross, assessing their social and economic impact. In addition, a baseline and guidance has been provided to help Argent track impact across its development portfolio in the future.

Why is tracking of impact important?

- ✓ Articulating successes
- ✓ Demonstrating commitment to 'good growth' and social values'
- ✓ Understanding local needs, tracking change and designing interventions
- ✓ Making better decisions
- ✓ Strategic influence and leverage – locally, regionally and nationally
- ✓ Strengthening reputation for future development opportunities.

Impacts and Achievements to Date

- iii. This study aims to value benefit where this can be legitimately attributed to KCCLP, Argent and wider partners. There are three types of intervention which have delivered economic, social and financial value:
 - Construction: Delivers economic value through jobs and supply chain, and social value through the delivery of the Construction Skills Centre
 - Operation: The development of new homes and commercial space has delivered local economic value through resident spend and jobs created on-site. Financial value has been achieved through council tax and business rates, whilst social value has been achieved through the delivery of a recruitment and skills centre
 - Public goods: The delivery of new public realm has provided social value through access to open space, whilst community initiatives such as local volunteering, school



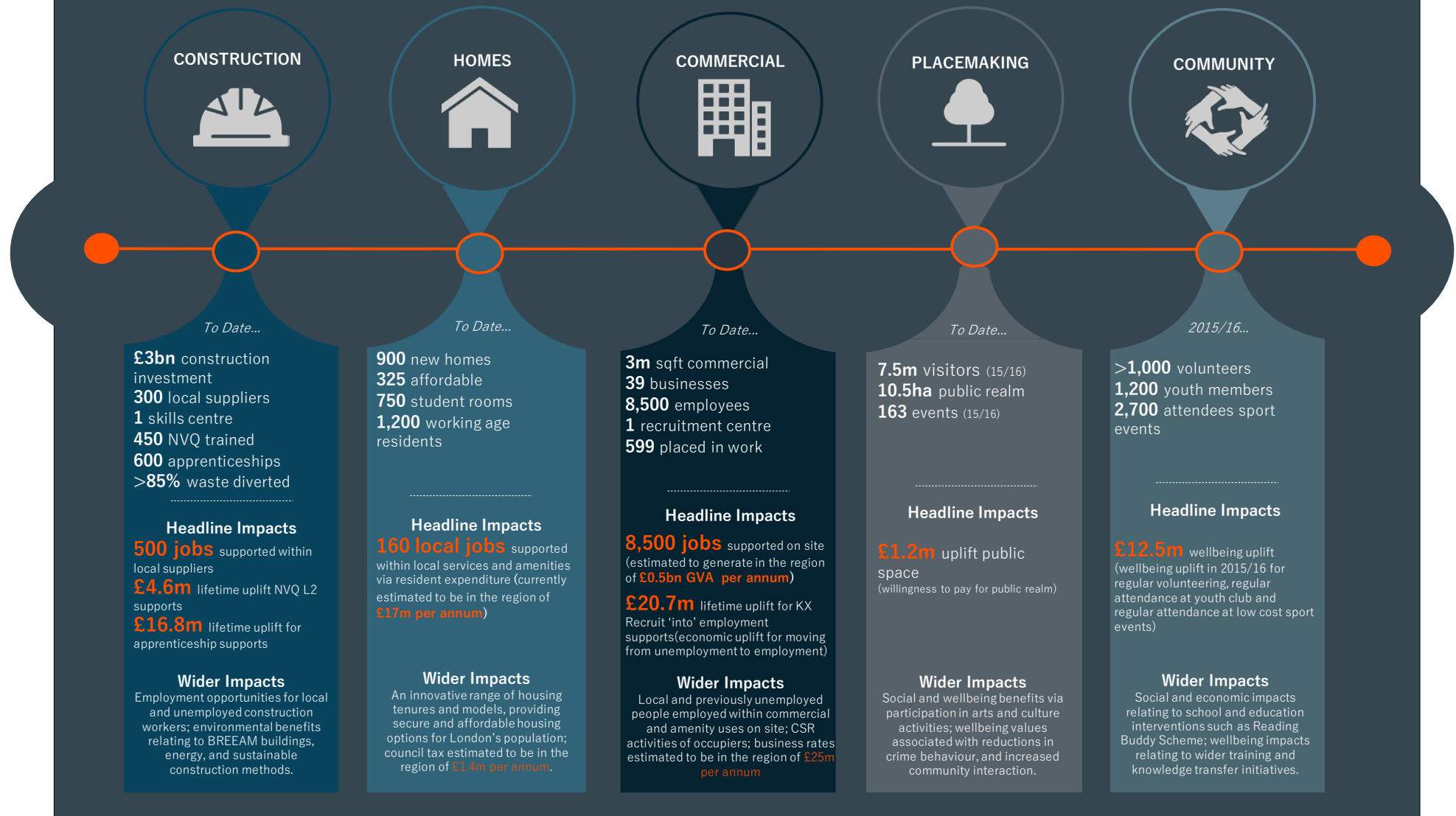
engagement and community sports events have enabled greater social cohesion on-site.

Impacts 'On-Site' at King's Cross

- iv. A targeted methodology has been developed to quantify (where data allows) the impact of King's Cross. **To give a true picture, this counts only the benefits which can be directly attributed to activities of partners onsite and has deliberately tried to avoid the 'claiming' of less tangible indirect benefits.**
- v. Headline findings showing the economic and social and financial footprint of King's Cross to date are provided overleaf. Reflecting the nature and focus of the development, the **profile of beneficiaries at King's Cross is broad, ranging from the individual, to local and wider communities, businesses and institutions, and the state.** This aligns with the aspirations set out within '**Principles for a Human City**' which emphasised the need for the development to 'fit' within and enhance the existing urban and community fabric and support city wide objectives.
- vi. It should be noted that this is only a **partial assessment** of the footprint of King's Cross, intended to illustrate the impressive range of impacts achieved to date. While an assessment of impact has been provided where data and methodologies allow, in reality the full impact of King's Cross will reach far beyond this.



The Economic, Social and Financial Footprint of King's Cross: A Snapshot



Impacts Across the Wider King's Cross Area

- vii. Arguably, Kings Cross' most significant benefit has been the catalytic impact it has had beyond the 'red line' of the development, on its wider area.
- viii. Previously the area was a transport hub through which people moved and rarely stayed. It has quickly come a place where people want to dwell: either living, working, or visiting. Evidence suggests that, **King's Cross has matured into a recognised 'place' more quickly than**

other Opportunity Areas identified within the London Plan and is adding value to the global reputation of the city.

- ix. The King's Cross development has played an instrumental role in this transformation. Alongside other major investments such as the Francis Crick Institute and station redevelopment, evidence is beginning to show that the flexible approach of KCCLP, Argent and wider partners has enabled greater diversification in uses and an uplift in quality.

King's Cross: Delivering Against City Growth Objectives

In 2004, King's Cross was identified as one of ten inner London 'Opportunity Areas' in the London Plan.

In the period since, **King's Cross has outperformed each of the other Opportunity Areas** against a number of metrics and in doing so has contributed strongly to London growth objectives:

- **Employment has increased by 134%...** higher than any other Opportunity Area
- The number of **'knowledge jobs has increased by 237%...** higher than any other Opportunity Area
- **Over a third of residential units provided have been below market level,** compared to an average of less 25% across inner London in recent years...
- **Residential Values have increased by 138%...** higher than any other Opportunity Area
- **Commercial Values have increased by 83%...** compared to an average of 74% across other Opportunity Areas.

- x. Currently however, evidence on the extent to which the development at King's Cross is generating real catalytic benefits for existing communities in surrounding areas such as Somers Town and Caledonian Road is still limited. Longer-term monitoring will be required to track impacts such as improvement in skills and local incomes. This report has provided the building blocks to enable partners to track this in the coming years.

The Added Value of the KCCLP and Argent Approach at King's Cross

- xi. Over the past two decades, Argent has marked itself apart in terms of its approach to development across the UK. The King's Cross site has been no different, and is commonly cited as an example of best practice in London's development and regeneration.
- xii. The heightened focus on placemaking, originally outlined in 2001 Principles for a Human City and the subsequent Regeneration Strategy, is realised in the provision of open space, public art, retail and amenity uses; this has led to strong footfall and commercial take-up. Occupiers recognise the high quality and 'ethos' of Kings Cross as a key draw to the area.
- xiii. With its long-term stake in the area, Argent's approach to asset management has enabled a greater foresight and curation; this in turn, has led to a more durable and high-quality place. A positive ongoing collaborative relationship with LB Camden has ensured that the development has evolved to meet changing needs of occupiers and users alike. As a result, **King's Cross has outperformed London's other Opportunity Areas in the added commercial, economic and social value it has delivered.**
- xiv. The success of KCCLP, Argent and wider partners at King's Cross is also demonstrated by positive media and industry coverage (at a time when development and regeneration is facing ever greater levels of scrutiny), strong footfall and take-up numbers and the attraction of diverse and high-profile occupants.
- xv. Ultimately, these successes have helped King's Cross to evolve rapidly as a new residential, business and cultural district for London, and have helped to deliver growth in commercial values and returns which have far exceeded London and other Opportunity Areas.

Achievements

- xvi. At the outset, KCCLP, Argent and partners established a set of very clear aspirations about what it wanted to achieve at King's Cross within the Principles for a Human City and Regeneration Strategy.
- xvii. The research undertaken highlights that the partnership has delivered strongly against these aspirations. A strong level of economic and social impact has been achieved already on the site, while the development has also played an integral role in the rapid evolution of the wider King's Cross area as an established and recognised business, residential and cultural location.
- xviii. The benefits of this approach will only become fully apparent over the coming years. Although evidence does provide a strong indication that this approach will deliver enhanced benefits. It is important that partners rise to the challenge of monitoring this, using new and innovative techniques to track social and economic impact more effectively.

Delivering Against Principles for a Human City



20 new interconnected streets
10 new public parks and squares



High quality public realm
built to last the test of time

1 A robust urban framework

2 A lasting new place



163 events '16
>**30** community events

Investment in accessible art for the community the enjoy



7.5 million
Estimated footfall '16

Vibrant mix of uses

4

Promote accessibility

3



> **50** commercial units
> **20** restaurants & bars



1,900 new homes

5 Harness the value of heritage

6 Work for King's Cross work for London



20 historic buildings to be restored



1 construction skills centre
450 trained to NVQ L2 +
600 apprenticeships

1 recruitment centres
600 placed in work



Engage and Inspire

8

Commit to long term success

7



1 skip garden
>**1,000** Volunteers 2015/16



Low cost sports events



School & youth engagement
>**1,000** youth club members

9 Secure delivery

10 Communicate clearly and openly



> **65%** development complete or submitted

>**100,000** documented words on KX from community consultations



4,000 local people met with chief executive of Argent between 2000 & 2004

Next Steps

- xix. Despite the achievements outlined above, the research has also highlighted a few areas where information gathering could be strengthened to enable more thorough and robust tracking of the impact and value added of the approach of KCCLP and Argent at King's Cross: there are a number of areas where it has not been possible to provide a valuation of the impact of activity to date, because either the data or a methodology for valuation does not exist.
- xx. Building on the platform provided by research, recommendations have been provided on how Argent can adopt a rounded and robust approach to assessing impact at King's Cross and other developments in the future. These focus on the importance of establishing a **strong baseline** at outset and then collecting **evidence throughout the project life cycle**, and the need to collect evidence across a **balanced set of indicators** which reflect the local development context. Further information is provided in Chapter 7.



Chapter 1

Introduction

1. Report Purpose

This report provides an assessment of the economic and social footprint of the King's Cross development to date. It also provides guidance on how Argent can take a robust and consistent approach to tracking impact in the future: both at King's Cross, and at Argent-led developments elsewhere across the UK.

- 1.1 Since 2001, the King's Cross Central Development Partnership and Argent have been leading the regeneration of King's Cross: one of the UK's largest and most high-profile regeneration projects.
- 1.2 The **King's Cross Central Development Partnership** (KCCLP hereafter) is the single land owner at King's Cross and brings together two groups: Argent King's Cross Limited Partnership and AustralianSuper.
- 1.3 **Argent** is the developer partner and asset manager for the project. Over the past two decades, the company has delivered over 5 million sqft of development, valued in excess of £2 billion. With Brindleyplace in Birmingham, the Piccadilly area in Manchester, and King's Cross in London, together with the new developments in Brent Cross and Tottenham Hale, Argent has a reputation for leading the delivery of some of the UK's most significant and challenging regeneration projects.
- 1.4 This report focuses on the redevelopment of King's Cross by KCCLP, Argent and wider partners over the period since 2001. *Where we refer to Argent throughout this report, we are referring to KCCLP and Argent, with Argent acting on behalf of the wider partnership.*
- 1.5 The objectives of the report are to:
 - examine the impact of the activities of KCCLP, Argent and their partners at King's Cross to date – see chapters 3, 4 and 5;
 - examine what has made the approach to development at King's Cross unique and the value this has added – see chapter 6; and,
 - provide guidance to help Argent measure and track its economic and social impact across its wider development portfolio – see chapter 7.
- 1.6 The research draws upon a range of information and intelligence collected from Argent, together with conversations with Argent staff and wider stakeholders. Our methodology is outlined where relevant within the report.





Chapter 2

The Story So Far

Early Introduction

2. King's Cross: The Story So Far

Summary

Located within one of London's most vibrant and rapidly evolving locations, King's Cross is one of London's largest and most high-profile developments.

Argent, as developer and asset manager for the site, has placed a strong focus on securing positive social outcomes from the outset. The development has been guided by Argent's ten 'Principles for a Human City' which places an emphasis on long-term stewardship, high-quality, inclusive design, accessible public realm, diversity, and engagement. Commitment to these values has helped to shape the overall 'sense of place' at King's Cross and provided the conditions to optimise long term social impact.

Now in its 9th year of development, King's Cross has already become a thriving residential and commercial hub, visited by over 7 million people per year. To date, around 1.4 million sq ft of commercial space has been delivered, with 97% of this occupied. King's Cross has succeeded in attracting a diverse range of organisations, from multi-national businesses, to independent arts and culture focused organisations.

Reflecting aspirations set out in Principles for a Human City, wider place shaping activities have been an integrated thread running, cutting across and underpinning delivery to date.

Argent has placed significant emphasis on activating King's Cross from the very first phases of the development: creating a vibrant and long-lasting environment in which people want to live, work and visit. Central to this has been the delivery of over 70,000 m² of public realm, providing space for a diverse range of uses, from major events, to community group meet-ups, to art installations and creative and cultural meanwhile uses.

Argent's working relationship with charity groups such as Global Generation has facilitated initiatives such as the Skip Garden and the Friday Night Out Project. These activities have helped to establish King's Cross at the heart of a broad network of partners, stakeholders and community groups. On-site initiatives promoting volunteering, youth groups, local employability programmes, sustainability, and school and community engagement have helped to establish links between local stakeholders and embed the development within the local context.



Location Context

- 2.1 King's Cross is an inner-city area, located in the London Boroughs of Islington and Camden. The area, which is now synonymous with art, culture and commerce, has a rich historical past.
- 2.2 In recent years the opportunity presented by physical attributes of the area (location, strategic transport connections, and availability of development land), has been recognised and significant policy focus was placed on the regeneration of the King's Cross district by both Camden and Islington Councils, together with the GLA and TfL.
- 2.3 This policy focus has resulted in a period of unprecedented regeneration and investment. Aside from the King's Cross Central Site (referred to as the King's Cross Site throughout this report), the investment has included the siting of the new British Library on Euston Road, the construction of the Channel Tunnel Rail link, the regeneration of St Pancras station, and King's Cross Stations, the development of the Francis Crick Institute, and a number of small regeneration schemes, such as Regents and King's Place.

The King's Cross Development: Background and Aspirations

- 2.4 The first London Plan in 2004 identified King's Cross as an Opportunity Area, and the subsequent Opportunity Area Planning and Development Brief prepared by Camden and Islington Council's provided an overarching framework to guide investment and regeneration in the area.

Development Masterplan

- 2.5 Argent's vision for the site from the start was to deliver a sustainable development for London – a lasting place for people and a community with a long-term future that supports changing patterns of social and economic behaviour.
- 2.6 An emphasis was placed on sensitive design, accessible public realm and long-term stewardship from the outset. The team brought together architects, designers, builders and engineers to help establish individual areas, each with their own character and sense of place within the development.
- 2.7 The development masterplan outlined a strategy to transform the 67-acre brownfield site to a new vibrant city quarter filled with new homes, shops, offices and community facilities. Principle uses set out in the masterplan included over 300,000 sqm of office space, 50,000 sqm of retail and leisure space, almost 2,000 residential units, a hotel and educational facilities.



2.8 This built environment was organised around 26 acres of open public space with the site's historic buildings and the Regent's Canal side setting contributing to its unique character.

Figure 1.1 King's Cross Development Masterplan



2.9 Argent submitted outline planning applications to Camden and Islington in May 2004. Planning Consent was granted in 2006 and the development started in earnest in November 2008 once Argent, London & Continental Railways and DHL had formed a formal partnership: King's Cross Central Limited Partnership (KCCLP).

2.10 Strong economic and social aspirations for the site were established from the outset. Once fully operational, the development was projected to support 25,000 jobs on-site, along with a range of wider socio-economic outcomes around local employment, income, and social and cultural diversity.

Source: Argent

Hallmarks of Argent's Approach at King's Cross: A Social and Community Focus

2.11 From the outset, Argent has placed a strong focus on securing positive social outcomes at King's Cross. These aspirations were established within a number of strategy documents at project planning stage, and embedded throughout the delivery process via a focus on community engagement.



Principles of a Human City

- 2.12 The development has been guided by 10 principles used to shape the overall 'sense of place' at King's Cross and to provide the conditions to optimise social value for the long term.
- 2.13 These 'Principles for a Human City' have served as the basis for Argent to instigate a discussion about what makes a city work for its people and commit to having a communication platform that is clear, open and accessible.
- 2.14 The principles have remained an important point of reference to Argent throughout the development cycle and provide a strong basis on which to understand its successes.

Argent's Principles for a Human City

1. A robust urban framework
2. A lasting new place
3. Promote accessibility
4. A vibrant mix of uses
5. Harness the value of heritage
6. Work for Kings Cross work for London
7. Commit to long term success
8. Engage and inspire
9. Secure delivery
10. Communicate clearly and openly

King's Cross Regeneration Strategy

- 2.15 As part of the planning process, Argent developed a Regeneration Strategy for the site in 2004. This has underpinned their subsequent approach, including socio-economic and community focused initiatives, delivered in support of physical development.
- 2.16 The Strategy states that Argent would encourage and support initiatives to tackle issues from early-on in the development process, with a focus on leveraging additional benefits and investment, helping to respond to local authority resource constraints.
- 2.17 The strategy recognised that an approach of partnership and collaboration would be needed to maximise positive outcomes, and identified a number of priority issues which Argent could take a lead on. These included:
- **Stewardship:** Argent focused on securing long-term, sustainable success for King's Cross. This included taking a holistic and strategic approach to designing the urban framework, viewing the area as a collective, rather than a series of individual streets, buildings and open spaces. There was also a focus on long-term flexibility via the development of a joint venture and commitment to high-quality, long-lasting design throughout.



- **Local Employment:** Argent set an aspirational target to fill 30% of jobs from within the neighbouring communities. To help achieve this, commitments were made to provide an on-site construction training centre (CTC) and an on-site skills and recruitment centre (KX Recruit).
- **Community Safety:** The site was designed with crime and anti-social behaviour in mind – issues which have historically been associated with King's Cross. This focused on improving the attractiveness of public spaces to generate increased footfall and new uses, and enhance feeling of safety.
- **Diversity and Culture:** Argent set out aspirations for promoting a mix of commercial occupiers and uses on site, including large multinationals, independent companies and not-for-profit organisations. In addition, aspirations were set to cultural and arts uses to ensure a diverse range of uses and activities across the area.
- **Childcare and Education:** Argent committed to providing new education uses, including a new primary school and a higher education presence (Central Saint Martins). King's Cross Academy is a purpose built primary school which is co-located with Frank Barnes School for Deaf Children, to encourage partnership and integration between the two. Argent staff have been involved in a volunteer programme at the school and have facilitated links between the school, on-site businesses and the construction teams.

Community Engagement

- 2.18 Underpinning its social focus, Argent has sought to engage the local community in every step of the development process, from the pre-development consultation stage, through to the construction and delivery of the site.
- 2.19 In the planning stage, Argent operated an 'open door' policy so any individual or organisation could speak with Argent directly about the development plans. Between 2000 and 2004, the Argent Group talked with, and presented to over 4,000 people, including representatives of over 150 community, business and other organisations³.
- 2.20 Argent not only worked with the Camden and Islington Councils, the Greater London Authority and English Heritage, but also actively invited members of the local community to meet with them and discuss their views. This is particularly embodied by the King's Cross Development Forum, led by local community activists, that still meets and is reported to today.
- 2.21 Following the distribution of 7,000 copies of the Framework for Regeneration to local stakeholders, Argent held VoxPop video consultations and workshops covering the themes of

³ Framework Findings (2004) A report on the consultation response to 'A Framework for Regeneration' at King's Cross Central.



Living, Working and Playing. Together, the people that took part in these events/processes contributed over 117,000 documented words about King's Cross with stakeholders drawn from local resident groups, arts organisations, education institutions, transport specialists and policy makers.

- 2.22 In addition to wider stakeholder consultation, Argent also appointed an external organisation to consult specifically with local schools and youth groups. They engaged with over 200 young people from four schools and three youth groups.



King's Cross in 2017

- 2.23 Construction commenced in 2010, and while development is due to be ongoing until the early 2020s, the phasing of the development has meant that the area has rapidly evolved in to a new and highly active quarter for London.

What Has Been Delivered to date?

- 2.24 Over 65% of the development of the site has now been submitted for planning or is being delivered. The area has been transformed and is now providing a range of facilities for residents, workers, visitors and local communities.

Buildings and Infrastructure

- 2.25 As highlighted to the right, a diverse range of new and permanent buildings, facilities and amenities have been delivered to date.

What has been delivered to date?

- ✓ 900 new homes
- ✓ 325 affordable and supported homes
- ✓ 750 student rooms
- ✓ 20 new restaurants, cafes and bars
- ✓ 1 cinema
- ✓ 1 university (Central St Martin's)
- ✓ 2 schools
- ✓ 1 sports centre
- ✓ 1 recruitment centre
- ✓ 1 construction skills centre
- ✓ 3 new public squares
- ✓ 6 redeveloped parks and gardens
- ✓ 2 combined heat & power (CHP) engines

Place Shaping & Socio-Economic Activities

- 2.26 Reflecting aspirations set out in Principles for a Human City, wider place shaping activities have been an integrated thread running cutting across and underpinning delivery, as opposed to being viewed as a separate, supporting element.

- 2.27 Argent has placed significant emphasis on activating King's Cross from the very first phases of the development: creating a vibrant and long-lasting environment where people want to live, work and visit. Central to this has been the delivery and activation of public space.

- 2.28 Once complete the site will contain 26 acres of open space and 10 new parks and public squares. In 2015 alone, 14.5 acres of public realm was delivered. Granary Square, completed in 2012 is the most significant of these public spaces, providing a focal point for visitors arriving in the area. Set within a historic environment, the square provides an animated environment, fringed by cafes and restaurants, and brought to life by a display of 1,000 choreographed fountains.



2.29 The presence of these public spaces has enabled:

- arts and cultural events to take place on-site, attracting a significant number of visitors per year (e.g. the Lumiere Event which attracted in excess of 200,000 visitors)
- community festivals and events to take place (e.g. family Saturdays at the Skip Garden)
- local communities to positively interact with the public space, creating a sense of ownership (e.g. community volunteering and positive interactions with Granary Square)
- non-permanent arts facilities to be constructed on site (e.g. the King's Cross Pond and the IFO)
- local youth and community groups to take advantage of flexible space (e.g. the Friday Night Out youth project)
- local fitness groups to operate on site. (e.g. free Nike fitness sessions on-site).

Figure 1.2 Granary Square



2.30 Argent's working relationship with several charity and community groups has also contributed to stronger social cohesion on-site. The relationship with Global Generation, a charity focused on using ecology to bring communities together, has enabled the launch of several community initiatives on site:

- The innovative Skip Garden and café located on-site brings people through volunteering opportunities to help maintain and run the sustainable urban garden. This initiative brings together diverse groups of people including office workers, construction workers, residents and local school children, helping to build local networks and a stronger sense of community.
- The Friday Night Out project brings local children together to play football with Arsenal FC and learn to cook on-site with Global Generation.
- A flagship youth leadership programme which involves local young people from the neighbouring areas in Camden and Islington to participate in and help create positive environmental and social change in the Skip Garden and the wider community.



- 2.31 Wider commitments to providing local employment and training have been delivered, including via the King's Cross Construction Skills Centre (delivered in partnership with Camden Council), and KX Recruit. Both schemes are focused on helping residents to access new opportunities within the development.
- 2.32 Argent has also sought to add value via retaining the delivery of its formal S106 commitments, seeing these as 'opportunities not obligations'. This is perhaps best exemplified via the innovative approaches taken to meanwhile uses and public art. A range of mechanisms from interactive hoardings to the King's Cross Pond (a body of temporary fresh water for swimming) have been used to encourage people to redefine their perceptions of King's Cross and how they use the area.
- 2.33 In all, Argent's integrated and innovative approach to placemaking has arguably helped to deliver strong outcomes and impacts more quickly than would have otherwise been the case. This is considered in more detail in Chapter 5.

How Successful Has King's Cross been to Date?

- 2.34 While 2017 represents roughly the half way stage of the development programme, King's Cross has already successfully integrated itself within the wider area, and has gained a reputation as one of London's most exciting new quarters.
- 2.35 An indication of the success of King's Cross is the strength of coverage and feedback received via established news outlets and social media. Since 1995, Argent has won nearly 100 awards⁴ for its achievements at King's Cross: from awards for the overarching development, to awards for the architecture and design of specific buildings, and for specific placemaking projects (such as the Pond). Awards aside, King's Cross is regularly cited as an example of best practice and learning in development and regeneration within the development industry and wider media.
- 2.36 More specifically, the success of the development to date is highlighted across a range of indicators, including take up of space, the range of occupiers attracted, footfall and usage levels, media coverage and the extent to which it has become a hub / anchor for local networks and connections.

King's Cross is the most substantial fulfilment yet of an idea that the best way to transform an urban area, and to improve the lives around it with facilities and investment, is for commercial development to take the lead, while working closely with local authorities and communities.

Rowan Moore, Observer, 2014

⁴ A full list of awards is provided in Appendix C.



Strong Commercial Take Up

2.37 Since the completion of the first phases of the development, take up of commercial and residential space has been strong.

2.38 By the middle of 2016, around 1.4 million sq ft of space had been delivered, with 97% of this occupied. Levels of interest in King's Cross are demonstrated further by a strong number of pre-lets – 55% of space under development has been let, and 40% of space in the pre-development stage has been let.

Figure 1.3 Take Up of Space at King's Cross

	Total Floorspace	Proportion Let
Completed	1.4m sq ft	97%
Under Development	0.6m sq ft	55%
Pre-development	1.8m sq ft	40%

A Broad Profile of Occupiers

2.39 Reflecting its aspirations from the early planning stage, King's Cross has succeeded in attracting a broad and high profile range of organisations and types of use, from major multinational businesses, to arts and culture focused organisations.

Figure 1.4 Example Occupiers at King's Cross in 2017



2.40 While all of these occupiers have contributed to the evolution and success of King's Cross, a number have been particularly important in changing perceptions (and overall placemaking):

- The University of the Arts, Central St Martins – the completion of the Granary Building in 2012 marked an important and transformational step in the development. Central St Martins provided King's Cross with an important anchor, immediately attracting strong footfall flows, and putting King's Cross on the map in London both in terms of education, but also culture and the arts.



- From a more commercial perspective, the £650m investment⁵ into King's Cross by Google has also been transformational in term of confirming the area as a new business quarter for London, able to compete for investment with established economic hubs and other emerging employment hubs across the city.

Strong Footfall

- 2.41 From an almost standing start, footfall to and through the site has increased rapidly, particularly since the opening of Granary Square and the University of the Arts in 2012.
- 2.42 Total footfall in 2016 was estimated to be in the region of 7.5 million. This includes:
- Day to day footfall – (people visiting on a daily basis to work, study or for leisure)
 - One off visits linked to events – 163 individual events took place on-site across 2016, attracting an estimated 350,000 visitors. This includes the Lumiere Event which attracted in excess of 200,000 visitors.
- 2.43 *New footfall cameras have recently been installed across the site, which will provide more granular information on footfall when data becomes available later in 2017.*

Diverse Usage

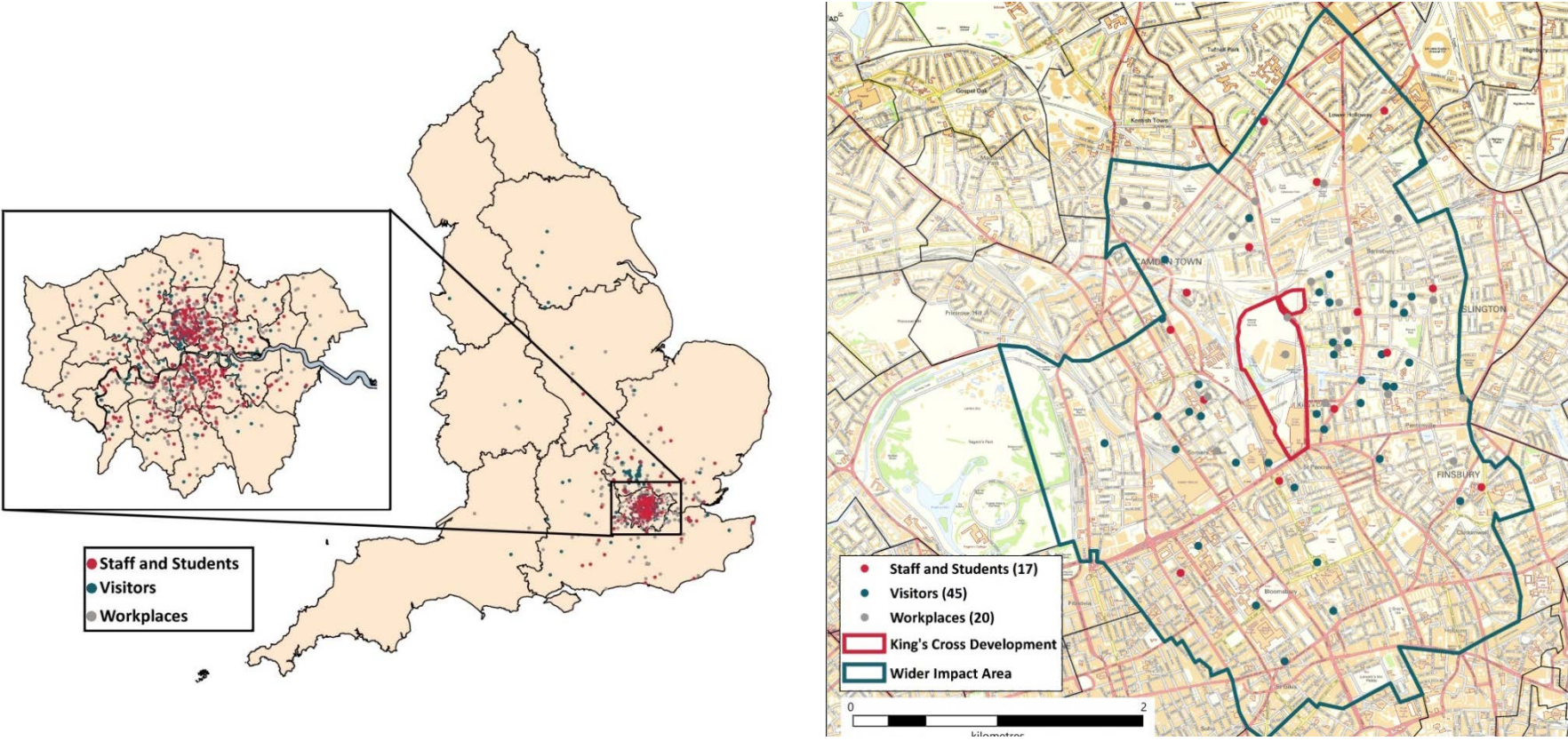
- 2.44 The site attracts a variety of individuals from a range of different locations, including workers, students and leisure visitors. As highlighted by information collected in the 2016 travel survey (see Figure 3.1 overleaf), these users travel from across London and the UK, including from locations within the King's Cross Central and Wider Impact Zones⁶.
- 2.45 A further snapshot of the demographics and social preferences of visitors is available through analysis of the users of the King's Cross public Wi-Fi network, since beacons were installed in June 2016. This highlights that of those logging into the Argent public Wi-Fi network:
- Around 67% of visitors were form the UK, versus 33% from overseas
 - Over three quarters of all users are in the 18-34 age category
 - Users have a broad range of interests, ranging from sports, to industry, music, film and television, food and drink and literature.
- 2.46 Clearly, this dataset only provides a snapshot of those using King's Cross, and it is likely that certain demographics are more likely to log into public Wi-Fi than others, potentially skewing the data. That said, the data indicates that King's Cross is already succeeding in attracting a broad range of visitors.

⁵ <http://www.building.co.uk/frontrunners-emerge-for-googles-£650m-kings-cross-hq/5085398.article>

⁶ The Zones have been used by Argent throughout the planning and development stage to consider local impact. A map of the Zones is provided in Appendix B.



Figure 2.1 King's Cross Travel Survey: Home Address of People Who Work At King's Cross, UAL Staff and Students and Visitors



Source: Regeneris Consulting, based on 2016 King's Cross Travel Survey

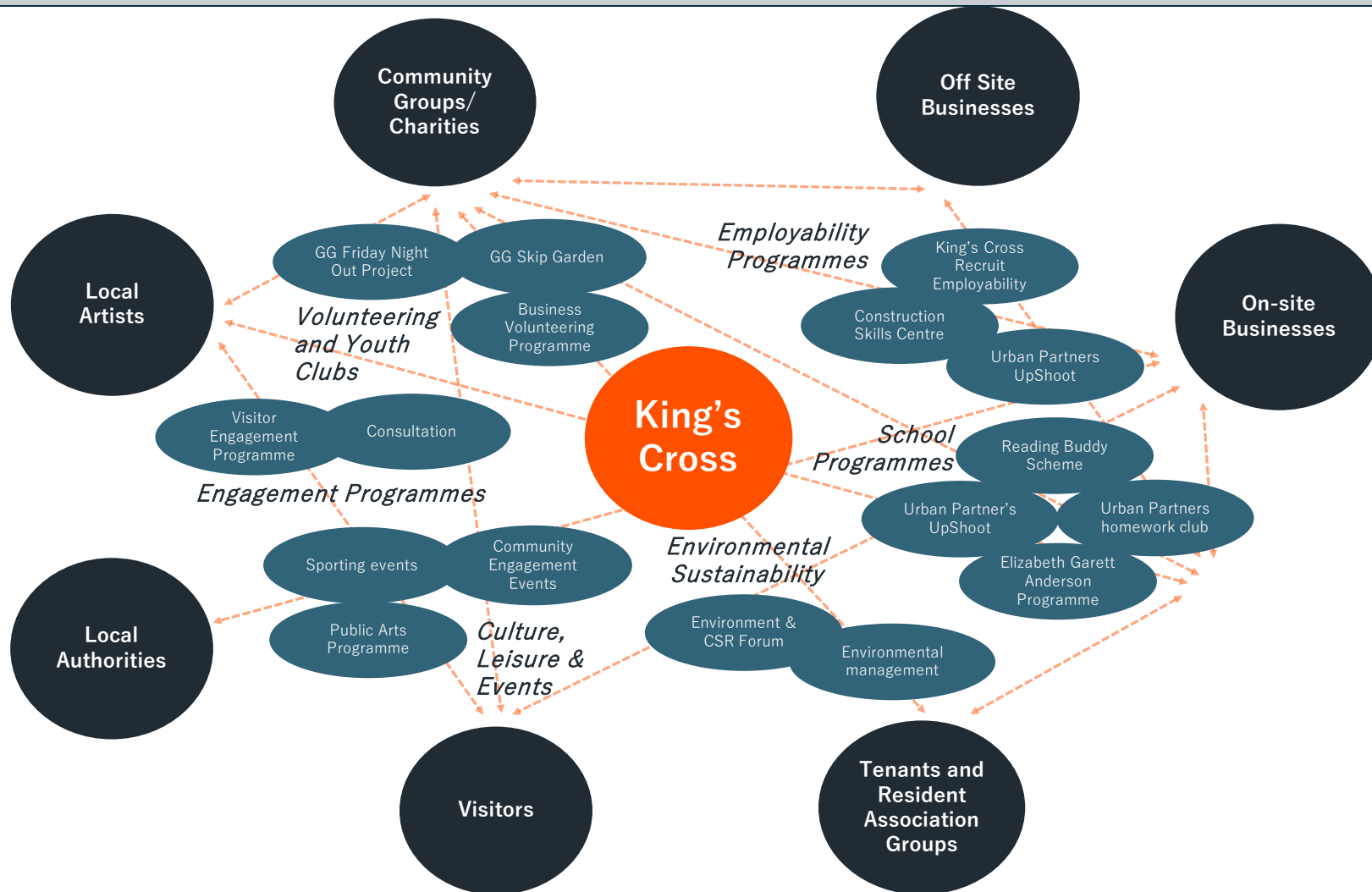


A Hub for Local Networks and Connections

- 2.47 Aside from the built environment, the wider socio-economic and placemaking focus of Argent has helped to establish King's Cross at the heart of a broad network of partners, stakeholders and community groups.
- 2.48 The placemaking and community initiatives introduced on-site have helped to effectively connect local partners, and have embedded the new development within the existing local context. Some of these are new connections and linkages facilitated directly by Argent's activity; others are longstanding connections which have been sustained or enhanced as part of the delivery process.
- 2.49 Some of these networks and connections are summarised in the diagram below:



Figure 2.2 King's Cross Networks and Connections



King's Cross: Wider Area Change

- 2.50 Away from the King's Cross site, the past decade has seen a significant amount of investment across the wider King's Cross area, which has transformed its physical appearance, transport connections and local permeability, together with its overall economic role.
- 2.51 The construction of the final stage of the Channel Tunnel Rail Link, enabled the relocation of the international rail terminus from Waterloo to a restored St Pancras in 2007. The restoration of the station was widely praised, with the station becoming a destination in its own right because of a high-quality retail and amenity offer within a strong heritage environment.
- 2.52 Next door to St Pancras, King's Cross Station has been the subject of a £0.5 billion investment programme, which has seen the delivery of a new concourse, a new public square, enhanced rail infrastructure, and the restoration of historic station buildings.

2.53 The wider area has also seen significant flows of investment into world-class buildings such as the Francis Crick Institute, which opened in 2016..

2.54 In addition, the Regent's Place and King's Place developments have further enhanced the wider area, helping to provide a more diverse mix of uses and amenities.

2.55 Together, these wider investments and projects have transformed the physical environment of the area, providing new places for people to visit and dwell, while enhancing the role of the area as one of London's most important transport hubs. Given the area forms the main gateway to the King's Cross Site, the importance of this should not be underestimated.

Figure 1.5 Wider Area Change in King's Cross





Chapter 3

Approach to Measuring Impact

3. Approach to Measuring Impact

Summary

In early 2017, the King's Cross development is over half complete. Given the long-term nature of the development, now marks a good juncture to consider the impact achieved at King's Cross to date, compiling evidence to help demonstrate and articulate successes, and steer where future delivery activity should be focused.

Reflecting the diverse nature of developments and place shaping projects, there are currently a broad range of approaches which can be taken to measuring value and impact. Drawing on formal government guidance, we have developed a bespoke approach to mapping the impact of King's Cross, ensuring that the broad range of potential impacts are captured and that the assessment is robust and credible.

The approach is underpinned by:

- Ensuring the assessment captures a range of economic, social and fiscal impacts
- Examining the impact of King's Cross on different spatial areas, from the local to the regional
- Considering the extent to which impacts are 'additional', over and above those which would have been achieved in the absence of the Argent-led development.

What do we Mean by Impact?

3.1 The impact of any development will be multi-layered and complex. In assessing the impact of King's Cross we have focused on three broad categories of impact:

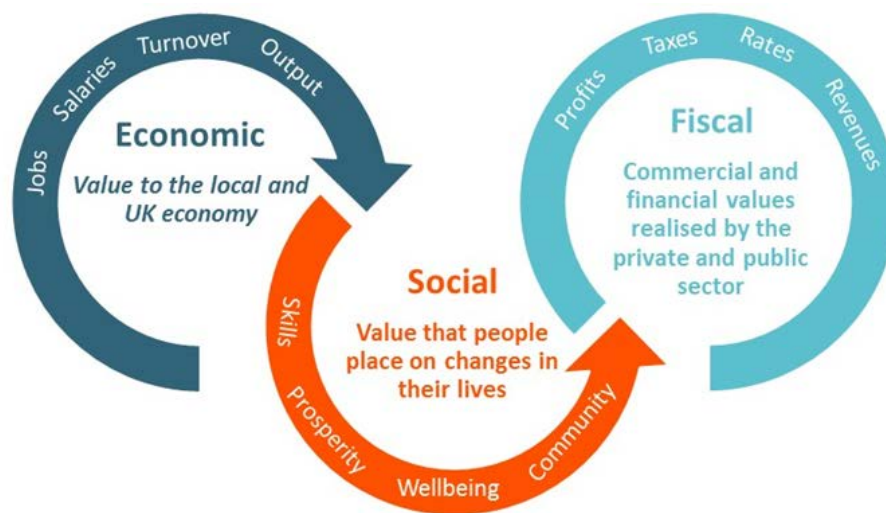
- **Economic impact** – the additional impact delivered to the local and UK economies. Most economic impacts can be tracked and measured in quantitative terms against a common set of indicators such as the number of jobs delivered, and the overall economic value (turnover and Gross Value Added) supported by these.
- **Social impact** – the impact of delivery on the lives of people interacting with King's Cross: whether living or working on the site itself, visiting the area, or living / working nearby. While typically more intangible than economic impact, social impact can be quantified in a number of ways:



- Wellbeing values provide a methodology for putting a figure on how people value non-market goods⁷. For example, the value we experience from increasing our confidence or from living next to open spaces. These things are important to us, but are not commonly expressed or measured in monetary values. We have used the HACT community investment values from the Social Value Bank to help determine well-being values throughout the document.⁸ This methodology accounts for deadweight (ie what would have been achieved anyway, regardless of the intervention).
 - Cost Savings to the public sector and therefore society as a result of a particular intervention. For example, the cost savings to the public sector for placing an unemployed young person into employment.
 - **Fiscal impact** – the commercial and financial values realised by both the private and public sector. This can be measured quantitatively in terms of indicators such as commercial returns, revenues, rates and taxes.

3.2 A balanced approach, which give each of these impact categories equal weight is important in delivering a full and realistic assessment of impact at King's Cross.

Figure 3.1 Assessment Impact Categories



⁷ Wellbeing valuation takes data on people's subjective wellbeing (SWB) from large surveys and uses statistical techniques to assess how different life events impact on individuals well-being. These can then be used to assess the impact individual projects may have on affected individuals/communities.

⁸ Source: www.socialvaluebank.org, authors: HACT & Daniel Fujiwara, License: Creative Commons Attribution – Non-Commercial – No Derivatives License



Spatial Considerations

3.3 In measuring impact, it is important to recognise that the impact of major regeneration schemes will play out across a number of different spatial levels and geographies.

3.4 In the case of King's Cross, there are three spatial levels of relevance:

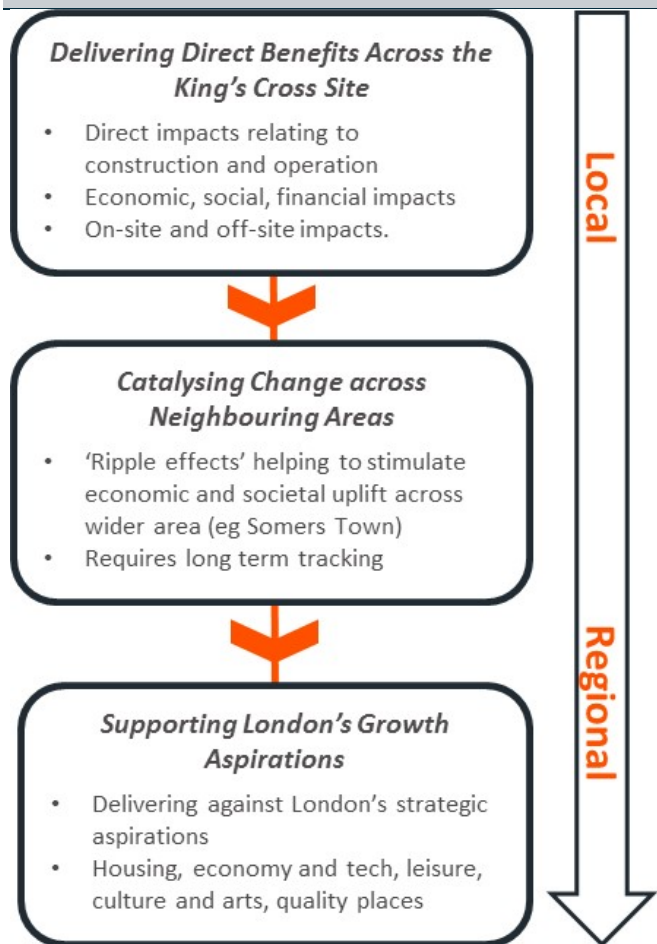
- The King's Cross site – the direct impact of development on the King's Cross site itself, covering construction activities, and subsequent operational phases of the development. *The economic and social impact footprint of the King's Cross site is explored in Chapter 5.*

- The surrounding area – the impact of regeneration schemes on neighbouring areas is an important consideration. The potential for impact across wider areas was also acknowledged through the definition of the 'Central Impact Zone' and 'Wider Impact Zone' which cover neighbouring parts of London.

- London – large scale regeneration schemes also have significance at much wider geographical levels. This is particularly the case in the King's Cross context, which has strategic significance locally (Camden and Islington),

regionally (the Mayor of London and TfL), and nationally. *The wider strategic impact of King's Cross is explored in Chapter 6.*

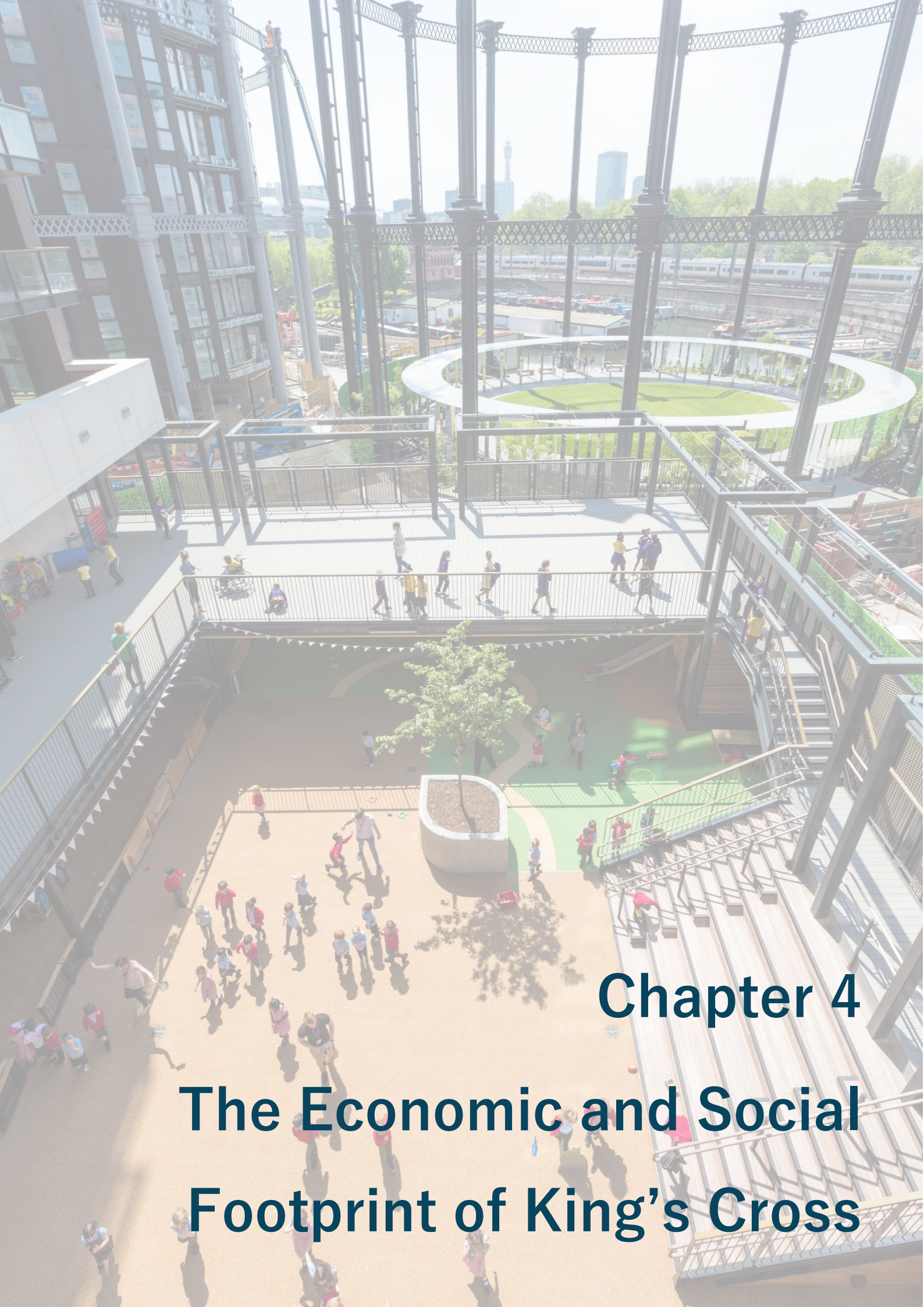
Figure 3.2 Potential Spatial Levels of Impact for King's Cross



Accounting for Additionality

- 3.5 Additionality is an important element of any impact assessment: *are the impacts that have been achieved additional to those which would have been achieved in the absence of the intervention?* Assessment of additionality is an integral component set out within central governments formal guidance and standards for impact appraisal and assessment guidance, as set out within the HM Treasury Green Book.
- 3.6 The best way to understand additionality is to define a 'reference case' against which the impact of intervention can be benchmarked over time. However, this is difficult in the context of place based regeneration schemes: the continual evolution of places make it difficult to identify directly comparable references cases, or to understand what would have happened anyway.
- 3.7 In the King's Cross context, the majority of impact within the red line of the development can be classified as 'additional', given that the site was previous brownfield, with limited existing uses / activity.
- 3.8 That said, it is important to consider the extent to which on-site activity reflects 'displacement' of uses from elsewhere in the local area or London, and the extent to which impacts are retained locally by existing communities. It is also important to consider the 'additional' impact achieved by Argent through delivery, benchmarked against that which might have been achieved by a different developer under the same planning aspirations and obligations.
- 3.9 There are also challenges in understanding the impact of King's Cross in catalysing change across wider areas, given the fact that the wider area has benefited from a number of other significant investment projects (such as St Pancras and the Francis Crick Institute) over the same period.
- 3.10 The additionality achieved by Argent at King's Cross is considered in more detail in Chapters 5 and 6.





Chapter 4

The Economic and Social Footprint of King's Cross

4. The Economic and Social Footprint of King's Cross

Summary

The range of interventions at King's Cross have delivered economic, social and financial value:

- The construction elements of the scheme have delivered economic value through the supply chain they have supported, and social value through the delivery of the Construction Skills Centre.
- The delivery of new homes and commercial space has delivered local economic value through resident spend and jobs created on-site. Financial value has been achieved through council tax and business rates, whilst social value has been achieved through the delivery of a recruitment and skills centre, developed to help place local people into work.
- The delivery of new public realm has provided social value through the provision of accessible open space, whilst community initiatives such as local volunteering, school engagement and community sports events reflect Argent's commitment to social cohesion on-site, as outlined in the planning phase.

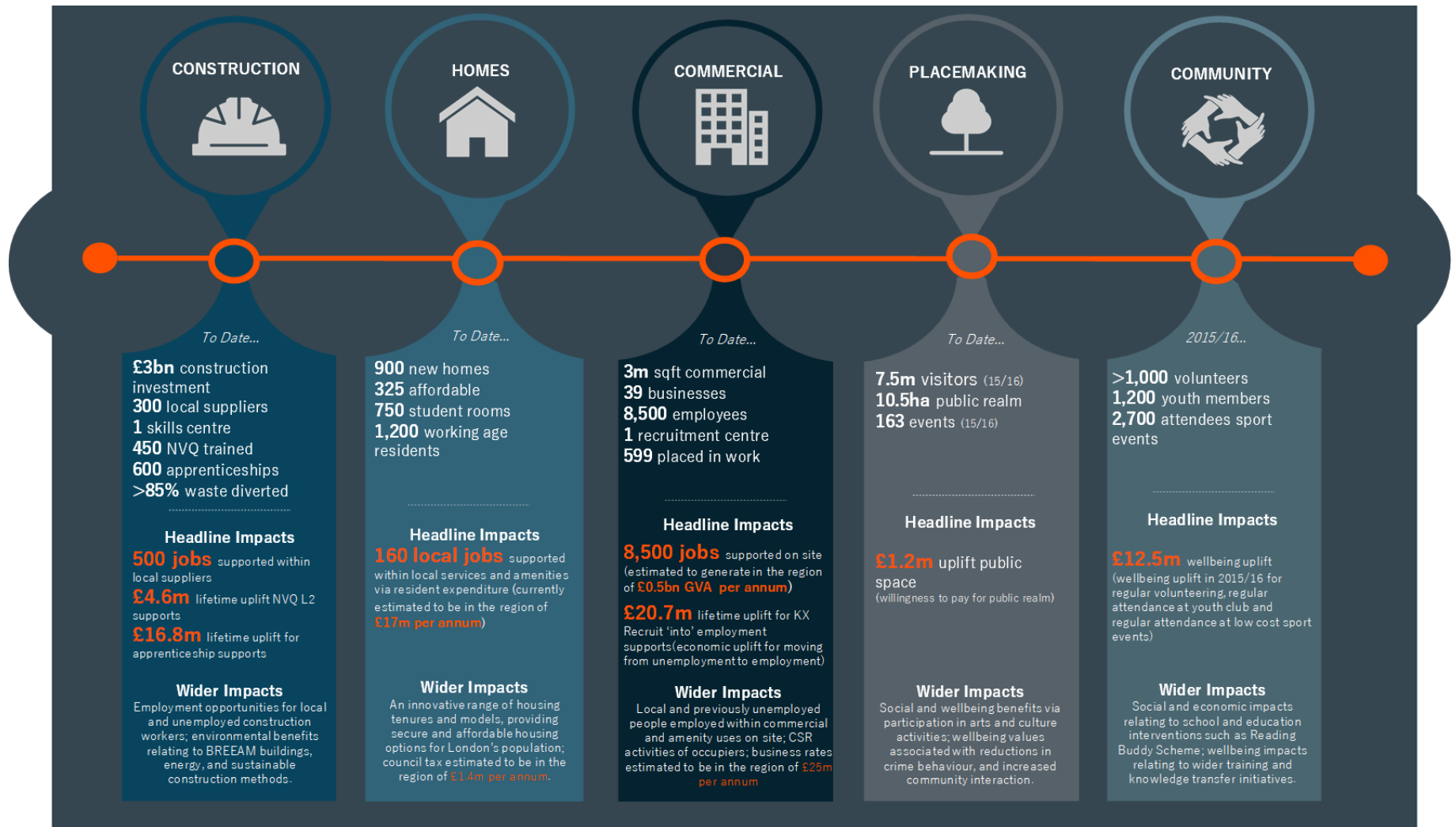
Using the methodology outlined in the previous chapter, and where data allows, the impact of activities at King's Cross to date have been quantified.

Headline findings regarding the economic and social and economic footprint of King's Cross to date are provided in the **infographic overleaf**.

It should be noted that this is only a partial assessment of the footprint of King's Cross, intended to illustrate the broad range of impacts achieved to date. While an assessment of impact has been provided where data and methodologies allow, in reality the full impact of King's Cross will reach far beyond this.



Figure 4.1 Snapshot of the Economic, Financial and Social Footprint of King's Cross



Introduction

- 4.1 This chapter provides an assessment of the current economic and social footprint of the King's Cross site itself – including the physical buildings and assets, and the supporting socio-economic and community project delivered.
- 4.2 The range of interventions at King's Cross is broad; as such, we have identified 5 separate impact categories, each with economic, social and financial impacts attributable to them.

Figure 4.2 Impact Categories



- 4.3 The research has been informed by a detailed review of Argent documents and data, together with stakeholder consultations. Methodologies for valuation are provided within the text where appropriate.
- 4.4 The analysis illustrates the impressive footprint of King's Cross across a broad range of impact measures. However, it should be noted that this is only a **partial assessment** of the current footprint of King's Cross: a quantification of impact has been provided for a selection of Argent's activities where data is collected / available, but in reality, the full impact of King's Cross will reach far beyond this. Guidance on additional data collection which could help to support a more complete analysis in the future is provided in Chapter 7.



Impact Area 1: Development Activities

What has been delivered?

To date, development activities on-site have delivered **900 new residential units, over 50 commercial units, numerous new leisure facilities and over 70,000 m² of public realm.**

More than 7 historic buildings and structures have also been restored leading to King's Cross being named as "One of England's 20 Best Heritage-Led Developments" by English Heritage.

A commitment to environmental sustainability has always been a cornerstone of Argent's approach to construction with 88% of construction waste being diverted from landfill in 2015/16. **All new completed commercial buildings to date have received outstanding BREEAM ratings** with over 9,000 square metres of green and brown roofs submitted to planning to encourage greater biodiversity on the site. The focus for energy efficiency and sustainability at King's Cross is the on-site Energy Centre. The centre houses a 7MW Combined Heat and Power (CHP) plant and is one of the largest of its kind in the UK. Once fully operational, the **CHP plant will provide 100% of the development's heat and hot water needs and 80% of its electricity.**

To support the development's construction activity, a Construction Skills Centre was established on site. To date, **1,200 people have been supported into construction related employment;** nearly **600 apprenticeships have been supported;** and there have **been over 450 NVQ L2 starts.**

Impacts Achieved

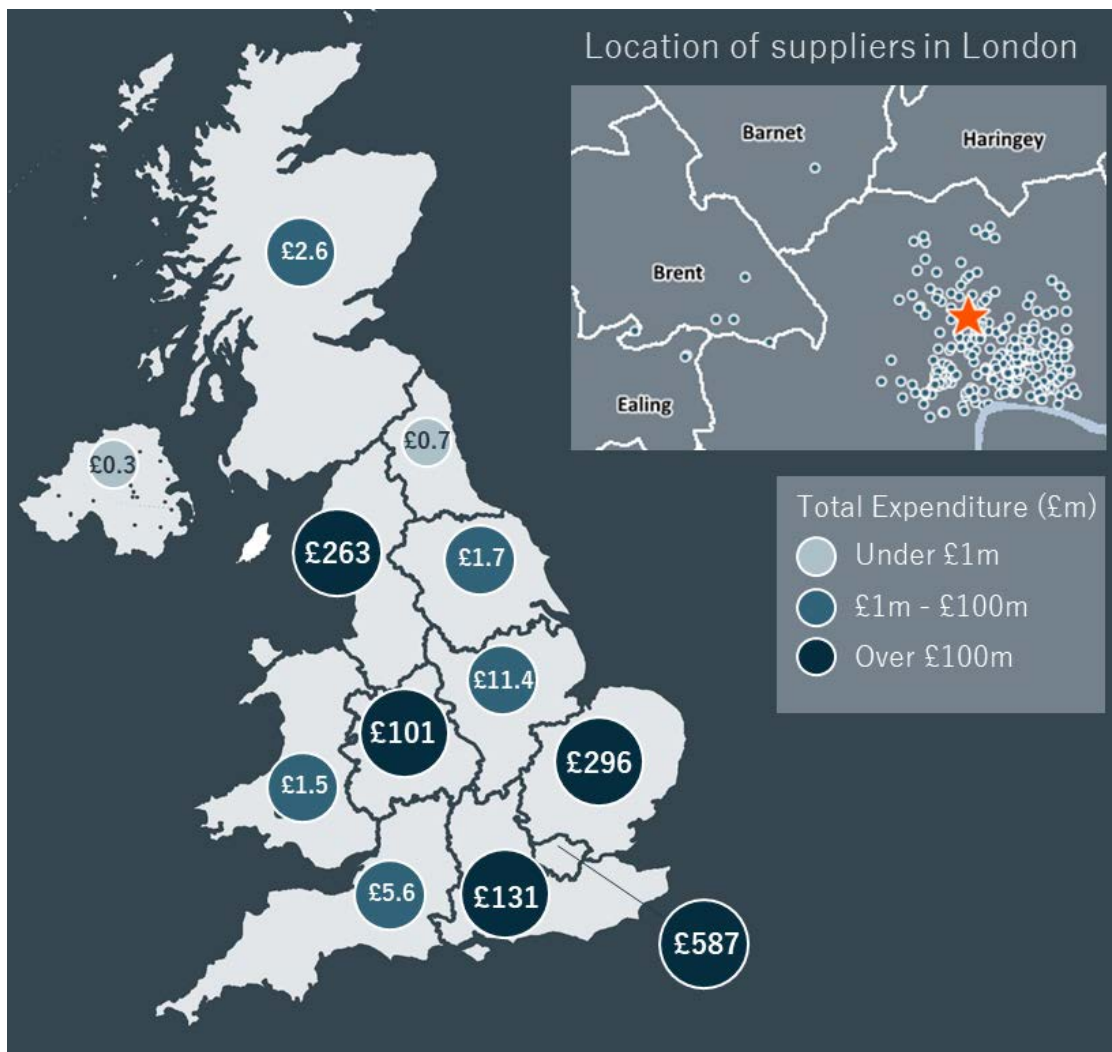
- 4.5 Over £3 billion has been invested in the development of the site. This activity, much of it directly linked to construction, has supported a number of local, national and international supply chains. Data highlights that **over 1,500 different suppliers** have been used in total over the last decade. As demonstrated by Figure 5.1 overleaf, these contracts have been spread across the UK, with contract values of nearly £590 million in London, £300m in the East of England and £260m in the North West.
- 4.6 More locally, around **300 suppliers used have been 'local'**⁹, with **contracts valued at over £70m.** These contracts placed with 'local' firms are enough to:

⁹ Defined as Argent's Central and Wider Impact Zones



- Directly support nearly **500 direct jobs** in the local impact areas, and **total Gross Value Added of around £33 million** within these areas.
- Support a total of around **1,300 jobs and Gross Value Added of around £93 million** across London when multiplier effects are taken into account.

Figure 4.3 King's Cross Supply Chain Contracts (£m) 2007-17



Source: Argent LLP and Regeneris Consulting

- 4.7 The scale and longevity of the development investment is highly significant and represents a strong benefit to the local labour market. Reflecting this, Argent has invested in a Construction Skills Centre to support local residents to access employment opportunities. The benefits arising from employees gaining **new qualifications** through the Construction Skills Centre can also be quantified in economic terms. The department for Business, Innovation and Skills estimates that the total public value per employee achieving an NVQ level 2 qualification is £485: this includes economic benefit to the individual, and financial benefits to the state relating to tax and benefits. Applying this figure to the number of young people who have



received an NVQ level 2 in construction since the launch of the construction skills centre results in total public value of £217,000 per year. Assuming an average working lifetime of 40 years, the **estimated lifetime public value associated with people supported to receive an NVQ L2 qualification is £4.6 million in current prices¹⁰**.

- 4.8 A value can also be placed on people **enrolling in and completing apprenticeships** at the construction skills centre. The department for Business, Innovation and Skills estimates that the total public value per apprenticeship start is £1,316: this includes economic benefit to the individual, and financial benefits to the state relating to tax and benefits. Applying this figure to the total number of apprenticeship placements provided on-site since construction commenced, results in a **value of £0.8 million per annum**. Again, assuming an average working lifetime of 40 years, the **estimated lifetime public value associated with apprenticeships delivered to date is £16.8 million in current prices¹⁰ above**.

Table 4.2 Development Activities: Summary of Quantified Impacts

Delivery to date	Impact	Value	Impact type
<ul style="list-style-type: none"> £3bn invested in construction activities 	Supply chain jobs supported in CIZ and WIZ by Argent expenditure...	500	Economic
<ul style="list-style-type: none"> 1,500 different suppliers used 	Supply chain GVA supported in CIZ and WIZ by Argent expenditure...	£33 million per annum	Economic
<ul style="list-style-type: none"> 3,500 local suppliers used (£70m contracts) 	Supply chain GVA supported in CIZ and WIZ by Argent expenditure...	£33 million per annum	Economic
<ul style="list-style-type: none"> >85% waste diverted from landfill 	Construction skills centre individuals receiving NVQ L2 qualifications....	£0.2m economic and financial uplift per annum; estimated £4.6m over lifetime	Economic and financial
<ul style="list-style-type: none"> 1 construction skills centre 	Construction skills centre individuals receiving NVQ L2 qualifications....	£0.2m economic and financial uplift per annum; estimated £4.6m over lifetime	Economic and financial
<ul style="list-style-type: none"> 600 apprenticeships 450 NVQ L2 assists 	Through construction skills centre individuals undertaking apprenticeships....	£0.8m economic and financial uplift per annum; £16.8m over lifetime.	Economic and financial

Wider Impacts

In addition to the above, there are a number of wider impacts which have not been quantified as part of this assessment. This includes impacts relating to **unemployed construction workers** who have benefitted from employment opportunities relating to the development. This delivers an economic and wellbeing benefit to the individual, and a financial benefit to the state (in cases where employment benefits were being claimed). More detailed tracking of the characteristics of construction workers would enable these impacts to be tracked more closely in the future.

There are also **environmental benefits** associated with the delivery of BREEAM standard buildings, the delivery of renewable energy sources, and the wider sustainable approaches to construction outlined above.

¹⁰ Lifetime figures are presented 'discounted' to current values, as per HM Treasury guidance.



Impact Area 2: Delivering New Homes

What has been delivered? To date, **900 new homes have been provided on site**, providing accommodation for an estimated 1,200 working age residents.

Around 19% of these new homes delivered to date are affordable and shared ownership, and a further 17% are socially rented and supported housing. In total, this represents **around 36% of units delivered as either affordable or alternative provision**: a strong contribution when compared to an average of 25% across Inner London Borough's over the past three years, and 28% across the whole of London.

Rubicon Court was the first completed housing development in King's Cross, with the first residents moving in, in July 2012. Since then, an average of 200 new homes have been completed each year. This housing development has significantly contributed to local housing provision, delivering against **18% of new housing need in LB Camden per year**.

Once the development programme is complete, 1,900 new homes will be provided on site.

Impacts Achieved

- 4.9 In 2015/16 it has been estimated that residents on-site would have generated household **expenditure of around £17 million per year** within the London Borough's of Camden and Islington. This spend is estimated to be enough to support **160 direct jobs and 40 multiplier jobs** across the two boroughs. This is a long term and permanent benefit for the local economy.
- 4.10 The 900 new homes built on site to date, provide LB Camden with approximately **£1.4 million in additional council tax income** per year. Once the site is complete, it can be estimated that the 1,900 new homes will provide **£3.2 million in additional council tax revenues** per year.

Table 4.3 New Housing: Summary of Quantified Impacts

Delivery to date	Impact	Value	Impact Type
<ul style="list-style-type: none"> • 900 new homes • 1,200 working age residents • 325 affordable homes • 750 student rooms 	Additional household expenditure in the local (Islington and Camden) economies...	£17m per annum	Economic
	Jobs in local (Islington and Camden) services and amenities supported by additional household expenditure...	200 direct & multiplier jobs	Economic
	Additional council tax generated by new residential units...	£1.4 million per annum	Financial (income for LB Camden)

Wider Impacts:

In addition to the above, there are a number of wider impacts which have not been quantified as part of this assessment. This is particularly the case in terms of social benefits associated with the delivery of social and intermediate housing. Given the innovative range of models of housing delivered at King's Cross, it is likely that a



strong social impact has been achieved for individuals in housing need. More detailed monitoring of the characteristics of King's Cross residents would enable these impacts to be tracked more closely in the future.

Impact Area 3: Delivering New Commercial and Leisure Space

What has been delivered?

Attracting both start-ups and international corporations, the **19 new and refurbished office buildings provide 3 million sqft of commercial office space**. The buildings range in size from 20,000 to 340,000 sq ft, offering flexible floor plates from 4,000 to 35,000 sq ft.

To date, the development has attracted 39 unique businesses to locate on the site. In particular, occupiers from the Technology, Media and Telecoms (TMT) sector, have been attracted to King's Cross, seeking larger floor plates at more affordable rents. World renowned institutions and companies such as Google, Havas and Universal Music are all placing King's Cross at the centre of their future business strategies.

To support the commercial elements of the scheme, the development has an onsite recruitment centre, KX Recruit, that has placed **600 people (400 of them local residents) into work since 2014. Over half of these people were previously unemployed or not working.**

Impacts Achieved

- 4.11 With Google relocating their European headquarters to the site and clusters of tech, music and fashion companies benefitting from the proximity to European markets, King's Cross has rapidly developed into a thriving commercial hub.
- 4.12 It is estimated that **8,500 employees** are currently working within commercial premises on site. Around 94% of these are working within offices, 3% in retail and 3% in leisure services. These employees are estimated to support **salary value of around £0.28 billion per annum** and total economic value (GVA) of around **£0.48 billion per annum**.
- 4.13 This level of onsite economic activity, will support significant multiplier benefits across the wider Islington and Camden economies. Applying government guidance on the level of multiplier benefit which might be expected, we estimate **multiplier benefits of around 850 jobs and £48m GVA per annum across Islington and Camden**. It should be noted that these

'A knowledge quarter with a strong social ethos'

PRS for music



are gross figures and are not aggregable with the on-site employment figures given the potential for double counting.

- 4.14 Business rates retention means that in future years, business rates growth will represent a more direct benefit to local councils. We estimate that the 130,000 sqm of commercial and leisure space delivered on site to date, has the potential around **£25 million per annum in business rates income**. Once the site is complete, it is estimated that the new commercial and leisure space will **provide £100m in business rates income per annum** based on 2015/16 multipliers, representing a significant benefit to Islington and Camden Councils.
- 4.15 KX Recruit was set up as a mechanism to support local residents into employment opportunities into employment at King's Cross: including those who were previously unemployed. There are economic, social and financial benefits associated with a claimant moving into employment. Just over 600 people have been placed into work by KX Recruit to date, and around 330 of these were previously unemployed or not working. Research from DWP estimates that the value of a claimant moving from unemployment to employment, is around £14,000. This covers income and health benefits for the individual, and financial benefits for the state. Applying this figure to the total number of unemployment people placed into work to date, results in a **value of £4.6 per annum**. For indicative purposes, the **estimated lifetime public value associated with these outcomes is £20.7m million in current prices¹⁰¹⁰ above**. This would assume that those supported remain in work for an *average* of five years.

Table 4.4 Commercial & Leisure Space: Summary of Quantified Impacts

Delivery to date	Impact	Value	Impact Theme
<ul style="list-style-type: none"> 19 office buildings 3m sqft commercial space 39 unique businesses 	Permanent jobs directly supported on site...	8,500 jobs	Economic
<ul style="list-style-type: none"> 2 recruitment centres 600 people placed in work since 2014 	Salary and total economic value (GVA) generated on site...	£0.28bn salary value per annum and £0.48bn GVA per annum	Economic
<ul style="list-style-type: none"> 330 previously unemployed 	Estimated multiplier benefits across Camden and Islington associated with on-site employment...	850 jobs and annual GVA of £48m	Economic
	Estimated economic value of people moving into employment via KX Recruit...	£4.6m per annum; indicative lifetime value of £20.7m assuming those supported remain in work for average of 5 years	Economic and financial
	Estimated businesses rates generated	£25m business rates per annum	Financial



	by within completed floorspace....		
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Wider Impacts

In addition to the above, there are a number of wider impacts which have not been quantified as part of this assessment. This is particularly the case in terms of the characteristics of those employed within commercial occupiers on-site, including the proportion of employees who are 'local' or who were previously unemployed (resulting in economic, financial and social benefits). More generally, little is known of the social and community policies of commercial occupiers on-site. Collection of this information (e.g. via a regular survey of commercial occupiers) which would help to establish a more detailed picture of the impacts 'enabled' via the delivery of new space at King's Cross.

Impact Area 4: Placemaking, Heritage and Sustainability

What has been delivered?

Argent have placed significant emphasis on creating a vibrant and long-lasting environment in which people want to live, work and visit. Once complete the site will contain **26 acres of open space and 10 new parks and public squares.**

The open spaces and events which take place within them, attract significant numbers of visitors each year. There were an estimated **7.5 million visitors to the site in total in 2016**, with survey evidence suggesting that visitors are particularly attracted to the surrounding open spaces and fountains located in Granary Square.

163 individual events took place on-site across 2016, attracting an estimated 350,000 visitors. Over 20% of these events were local community events, attracting 246,000 local visitors. By far the most significant event of 2016 was the Lumiere Festival, attracting 200,000 visitors to the site over just 4 days in January. Other significant events included the Curious Festival and the launch of the Canopy Market.

Impacts Achieved

- 4.16 The economic impacts of Argent's place-shaping activities are embedded within the economic impact of the commercial activities outlined under Impact Area 3. Strong levels of footfall to the area to a large extent underpin demand for space from cafes, restaurants, bars and retailers, with visitor spend then supporting turnover and employment within these occupiers.



- 4.17 Research from DCLG estimates indicative willingness to pay per net additional hectare of new public realm provided¹¹. Applying these benchmarks to new public realm provided at King's Cross to date, results in a **willingness to pay equivalent of £1.2 million**.
- 4.18 Whilst not quantifiable with currently available data, the value of arts participation per participant per year is valued at £1,500 using social well-being techniques¹². Assuming that the provision of public space in which to hold arts events has enabled more local people to participate in the arts, we can assume that Argent's investment in public realm has helped contribute towards arts derived well-being for local people.

Table 4.5 Placemaking, Heritage, Sustainability: Summary of Quantified Impacts

Delivery to date	Impact	Value	Impact Theme
<ul style="list-style-type: none"> 10.5 ha public realm 7 restored heritage buildings 7.5m visitors (15/16) 	Spend of visitors to King's Cross both for work and leisure / events...	Visitor spend supporting £480m GVA per annum identified under Impact Area 3	Economic
<ul style="list-style-type: none"> 163 events (15/16) 	Public willingness to pay for new open space and public realm...	£1.2m willingness to pay	Social

Wider Impacts

In addition to the above, there are a number of wider impacts which have not been quantified as part of this assessment. These include:

- The social and wellbeing impacts of arts participation. As noted above, the provision of public space in which to hold arts events has enabled more local people to participate in the arts at King's Cross; a social wellbeing value can be attributed to this. More detailed monitoring of the characteristics of those participating in arts events would enable this to be valued in the future.
- Similarly, there are social and wellbeing benefits relating to improvements in crime, antisocial behaviour, litter and community belonging. A resident and visitor survey gathering information on these indicators would enable benefits to be tracked and valued in the future.

¹¹ Willingness to pay is defined as the monetary value that an individual is willing to attach to one unit of a product. In this context, it is the theoretical monetary amount that individuals associate with having access to public realm.

¹² Note: While officially an arts project, the benefit of the Pond is assessed under Impact Area 5 in relation to exercise benefits.



Impact Area 5: Community Space and Projects

What has been delivered?

A broad range of community projects and initiatives have been delivered at King's Cross.

Argent's relationship with Global Generation has provided greater community cohesion and volunteering opportunities for local people. In 2015/16 **600 young people and 420 business volunteers** were involved with volunteering at the Skip Garden. Argent, Arsenal and Global Generation have also worked in partnership to support the development and delivery of Islington Giving's' Friday Night Out project.

While data is not available for all of Argent's interventions, they have actively supported four neighbourhood and housing group associations, four community festivals and five local community groups in a range of local initiatives. In addition, **Argent have engaged over 50 schools and 3,800 pupils in on-site activities.**

To support the new residents on-site, a new primary school, The King's Cross Academy opened in September 2015. The primary school has two reception classes for up to 60 children and a 26-place nursery for 3 to 5-

year-old children. As the community grows, the Academy will expand with **places for 420 primary school pupils aged 4 to 11**, plus the nursery. Argent have four staff members on the Governing Board and have also led the launch of the reading buddy scheme.

In addition to the community initiatives supported by Argent, the development also provides the facilities and space to host low cost and free sports events for local people.

More than 2,700 attendees took part in King's Cross run club and Moe's Bootcamp on site in 2015/16. In addition, the King's Cross Pond project attracted more than 20,000 visitors while in place.

Case Study: Friday Night Out Project

The project, primarily aimed at 8 to 14-year-olds, combines football, cooking and other activities in the heart of the new King's Cross development. Local young people are invited to come play football every Friday with Arsenal FC for free.

Fortnightly, after football, the young people join Global Generation to learn to cook food to eat together in the Skip Garden.

1,230 young people were engaged with the Friday Night Out Project in 2015/16 with Argent committing £36,000 in cash funding to date, together with provision of space.

Case Study: Reading Buddy Programme

Argent staff have buddied up with pupils at the King's Cross Academy to help with their reading. The scheme started in September 2015 with the buddies visiting the Academy every fortnight for between 20 – 30 minutes. The main focus of the scheme was to support specific groups of children that might not have opportunity to read with, and to, their parents at home.

To date, there **are over 50 reading buddy partnerships that meet fortnightly.** It is thought that these sessions have significantly helped pupils to develop communication skills and confidence as well as gaining a broader understanding of the environment around them.



Impacts Achieved

- 4.19 Using the HACT social value bank estimations, a value of £3,249 can be attributed to the benefit an individual derives from regular volunteering. In the absence of information collected, we have estimated that 64% of the young people and business professionals that engaged with the skip garden project in 2015/16 regularly volunteer. This is based upon data from the UK Civil Society Almanac outlining the percentage of those in the UK who regularly volunteered at least once a month in 2015/16, compared to those who volunteered at least once a year¹³. **Applying this figure to the wellbeing estimations, results in a wellbeing value of £2.3 million.**
- 4.20 Using the HACT social value bank estimations, a value of £2,300 can be attributed to the benefit an individual derives from attending a youth group. In the absence of information collected by Argent, we have estimate that 50% of the young people that engaged with the Friday Night Out project in 2015/16, regularly attended those sessions at least once per month. **Applying this figure to the wellbeing estimations, results in a wellbeing value of £690,000.**
- 4.21 Using the HACT social value bank estimations, a value of £4,179 can be attributed to the benefit an individual derives from participating in additional frequent exercise. The Run Club, Bootcamp, and Pond alone have attracted over 20,000 visitors to King's Cross. Information is not available on the number of individual users, or the regularity with which these have exercised at King's Cross. However, for indicative purposes, we assume that at least one in ten visits related to a visit by a regular user, (participating in exercise once a week for at least two months). **Applying this figure to the wellbeing estimations, results in an indicative wellbeing value of £9.5m.**
- 4.22 Social value is also derived from Argent's work with the King's Cross Academy school. Argent has facilitated relationships between the school and Eurostar, CSM, Waitrose, Global Generation and other businesses in King's Cross to help the pupils learn more about the environment in which they are living. **The school is already number 1 in Camden for pupil attainment** and in the school's first assessment all pupils scored 100% in the 'Understanding the World' category, which Head Teacher, Emyr Fairburn **attributed to the pupils having significant interaction with businesses on the estate.**
- 4.23 Through the Reading Buddy scheme, it is thought that Academy children have increased in confidence. It is predicted that **93% of Academy children will have reached at least a good level of development by the end of the year** (compared to 60% nationally and 63% in Camden).
- 4.24 While these education impacts cannot be directly monetised, it is still an important social outcome of Argent's commitment to the local community.

¹³ Based on UK average for regular volunteers - <https://data.ncvo.org.uk/a/almanac16/volunteer-overview/>

¹⁴ Community investment and homelessness values from the Social Value Bank; Source: <https://www.socialvaluebank.org>; Authors: HACT & Simetrica; License: Creative Commons Attribution – Non-Commercial – No Derivatives License



Table 4.6 Community space & projects: Summary of Quantified Impacts

Delivery to date	Impact	Value	Impact Type
<ul style="list-style-type: none"> > 1,000 skip garden young person and business person volunteers (15/16) 	Regular volunteering at skip garden (15/16) – assuming 64% of volunteers are regular...	£2.3m wellbeing value	Social
<ul style="list-style-type: none"> 1,200 youth group members through FNO project with Global Generation, Arsenal and Islington Giving 	Regular youth group attendance (15/16) – assuming 50% of attendees are regular	£0.7m wellbeing value	
<ul style="list-style-type: none"> 2,700 attendees to free sports events 20,000 visits to the Pond 	People taking part in regular exercise (15/16) – assuming 10% of visits relate to 'regular' attendees....	£9.5m wellbeing value	

Wider Impacts

In addition to the above, there are a number of wider impacts which have not been quantified as part of this assessment. These include:

- As noted above, Argent has worked closely with the King's Cross Academy school, facilitating relationships with Eurostar, CSM, Waitrose and Global Generation. Whilst this impact cannot be directly monetised, it is still an important social outcome of Argent's commitment to the local community.
- Through the reading buddy scheme, it is thought that Academy children increasing in confidence as a result of the scheme. Again, while these impacts cannot be quantified in monetary terms, they are an important outcome of Argent's social commitment.
- The impact of Argent's wider training initiatives and knowledge sharing activities.

Future Impacts

- 4.25 The development of the King's Cross site is only 65% complete and therefore the annual impacts of the site are likely to continue to increase as more residents, workers and visitors engage with the development.
- 4.26 The King's Cross labour market model¹⁵, for example, projects that the **development is on track to support around 26,500 jobs once all commercial buildings are completed in 2020.**
- 4.27 Clearly, the ongoing delivery of Argent's supporting socio-economic and community interventions will have an important role to play in helping to maximise the local and social impact of development.

The research undertaken in the chapter, has helped to inform recommendations on how Argent's approach to the tracking of impact can be further strengthened to provide a deeper understanding of social and community impact and benefit.

¹⁵ The King's Cross Labour Market Model is produced annual by Argent to track the expected outcomes of the development in economic terms against the progress of delivery. The model provides estimates of the number of jobs created and projects the implications of this in terms of local labour market.



Focus on... 'Local' Impacts

From an early stage, Argent has placed a focus on delivering benefits for existing local communities; this is reflected both in Principles for a Human City and, more practically, through Argent's definition and use of the Central and Wider Impact Zones, and through their interaction with numerous local community groups and networks.

The research has highlighted a number of beneficial impacts for local communities to date:

- **Local supply chains: 300 'local' suppliers** have been used, with contracts worth over £70m. These contracts are enough to directly support **over 500 jobs within the local area**
- **Local people engaging with the King's Cross Construction Skills Centre:**
 - Monitoring data suggests that the majority of apprenticeships supported on site have been accessed by Camden and Islington residents. As such **nearly 600 local residents** have been supported, with a total public value of **around £0.8m per annum**, and an estimated **£16.8m over the lifetime** of the benefit
 - In addition, we estimate that around **40% of those assessing NVQ L2 qualifications are Islington or Camden residents**. This equates to around 200 people, with a total public value of **around £0.9m per annum**, and an estimated **£1.9m over the lifetime** of the benefit
- **Local people engaging with KX Recruit:** of the 600 people supported into work via KX Recruit, around **400 have been local residents**. An estimated 220 of these were previously unemployed. We estimate that this has a **wellbeing value to the individuals of £3.1m per annum**. For indicative purposes, the **lifetime value of this is estimated to be £13.1m** (based on average employment length of 5 years).

In addition to these quantified impacts, there are likely to have been **numerous wider benefits for local residents**, including those relating to use of open space, participation in events, networks, groups and activities. While the information does not exist to place a value on these, such interactions are likely to result in significant social and wellbeing benefits.



Focus on...*King's Cross Beneficiaries*

Reflecting the nature and focus of the development, the **profile of beneficiaries at King's Cross is broad**. This aligns with aspirations set out in 'Principles for a Human City' for the development to 'fit' within and enhance the existing urban and community fabric and to support city wide objectives.

Those who have benefited from delivery to date include...

Individuals



- Training & skills at Construction Centre
- Supporting into employment via KX Recruit
- Access to affordable / secure housing
- Access to new employment opportunities
- Volunteering, leisure & community groups

Business & Institutions



- New & high quality space, flexible to occupier needs
- Perception of 'prestigious' location
- Agglomeration / clustering benefits
- Access to transport and connectivity

Local & Wider Communities



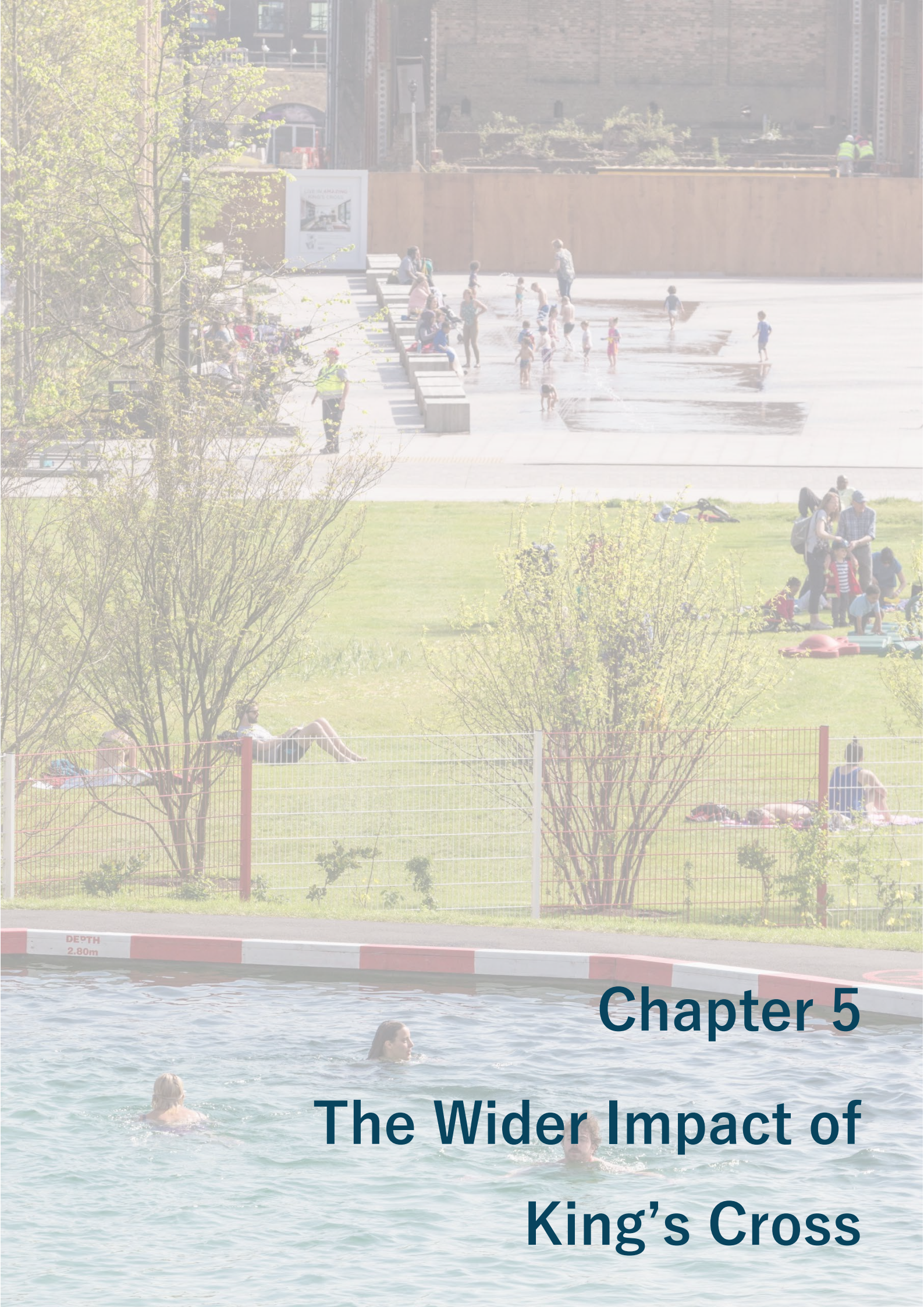
- A hub for community groups and activities
- New community infrastructure such as the KX Academy
- Significant new open space & public realm
- Transformation of the local amenity & culture offer for residents and visitors alike

Government



- Significant housing delivery across a number of typologies
- Significant business rates & council tax income
- Financial, health and tax benefits associated with economic and labour market outcomes.





Chapter 5

The Wider Impact of King's Cross

5. The Wider Impact of King's Cross

Summary

The impact of any development will reach beyond the development boundary.

Evidence suggests that the wider King's Cross area has undergone transformational change over the past decade: station entries and exits data suggests footfall through the area has increased rapidly, and increasing commercial and residential values point to the growing attractiveness of the area. While previously the area primarily performed a function as a transport hub through which people moved, it has quickly evolved as a place where people want to dwell: either living, working, or spending leisure time.

More widely, the development has contributed to city wide strategic growth objectives. King's Cross has arguably matured into a recognised 'place' more quickly than other Opportunity Areas identified within the London Plan; this is borne out by analysis of economic and commercial performance indicators which highlight strong comparative growth in employment and residential and commercial value in King's Cross relative to comparator areas.

While the evolution of the wider area will partly reflect wider investments and processes of change, the King's Cross development has clearly played an instrumental role in driving area transformation.

Introduction

- 5.1 The impact of any development will reach beyond the 'red line' boundary of the development site itself; this is particularly the case for a regeneration scheme of the scale and scope of King's Cross.
- 5.2 The wider impact of the King's Cross development is best understood in terms of its impact on socio-economic conditions within neighbouring areas, and its strategic impact within the wider London context.



Supporting Socio-Economic Regeneration

- 5.3 Argent recognised the influence that the development of King's Cross would exert over wider geographies from an early stage. This recognition resulted in a number of impact geographies being defined at an early stage.; These were used to help articulate the potential impact of King's Cross within the planning process, and have been used by Argent on an ongoing basis, in tracking impact as the development progresses.
- 5.4 Wider area change is likely to manifest itself in a number of ways:
- People and Social Inclusion – the characteristics of the local population, including diversity, economic activity, skills, health, and prosperity
 - Economy – overarching economic performance, including number of businesses, the amount and type of employment, footfall and vacancy and commercial returns
 - Place – the overall quality of the environment, and supporting infrastructure.

Baseline Conditions - 2004

- 5.5 Over the past decade, Argent has undertaken detailed mapping to understand baseline conditions across its wider impact area. The research has found that under the baseline situation, several socio-economic challenges were faced by the Central Impact Zone.
- 5.6 Some of the most significant challenges are summarised below.

KING'S CROSS: HEADLINE SOCIO-ECONOMIC CHALLENGES IN 2004

Weak labour market performance...	Comparatively low levels of economic activity in the resident population, and high unemployment levels (12% of residents in the Central Impact Zone, compared to 5% across London)
High levels of relative multiple deprivation...	Income levels for local residents were comparatively low. Four of ten wards in the WIZ were classified as being in the 10% most deprived nationally, while Somers Town ward was in the 5% most deprived .
Challenges in crime and quality of place...	The area faced significant challenges regarding the quality of place, including a congested and poorly kept urban environment and high levels of crime , particularly violent crime and prostitution.
Challenges in housing quality and supply...	The Central Impact Zone was notable for its large stock of social housing and limited private market stock. The quality and affordability of housing was also highlighted to be a challenge.



Current Conditions (Latest Data)

- 5.7 A review of statistical evidence has provided an update on how the wider area has been changing in recent years. The focus of the analysis is on the Central Impact Zone (CIZ)¹⁶, this is the area where 'spill over' effects relating to the King's Cross development are most likely to be observed given London's highly dynamic socio-economic context. For each of the three themes we have selected three overarching indicators intended to give a broad sense of performance and direction of travel.



¹⁶ A definition of the CIZ and WIZ is provided in Appendix B.



1. King's Cross: Economy. The economy of the Central Impact Zone has evolved rapidly over the past decade as numerous development and regeneration schemes have been delivered. These have increased the amount of commercial floorspace available, and helped to change perceptions of the area as a business location.

Indicator 1: Employment	Indicator 2: Business	Indicator 3: Sector change
<p>There has been a significant increase in the employment role of the King's Cross area in recent years.</p> <p>The CIZ contains around 28,000 jobs in total – an increase of nearly 50% (11,000 jobs) since 2009^{*17}. This compares to an average increase in employment in London of around 18% across the same period.</p>	<p>The number of businesses in the CIZ has increased rapidly in recent years.</p> <p>There are now around 3,400 businesses in the CIZ – an increase of 46% (1,100 businesses) since 2010. Again, this compares favourably to the London growth average (37%).</p>	<p>King's Cross has developed as hub of higher value employment in recent years.</p> <p>The number of 'knowledge based' jobs across the CIZ has increased by 11,000 since 2009 – growth of around 65% (three times higher than seen across London). Knowledge based employment now accounts for 44% of all jobs in the area (higher than the London average of 42%). The area has also seen a strong increase in local service jobs – covering restaurant, cafes, and accommodation, highlighting the evolution of the area as a place to visit and dwell.</p>
<p>Other indicators which could be tracked over time to understand the evolving economy include: high street vacancy levels, the diversity and quality of the retail and amenity offer, enterprise performance, and levels of commuting into the area.</p>		

Additionality: The Role of the King's Cross Development in Enhancing the King's Cross Economy

The direct impact of the King's Cross development is likely to account for a significant proportion of the economic uplift reported above. As highlighted in Chapter 5, the development has seen the creation of nearly 9,000 on-site jobs to date, many of which will be in 'higher value' knowledge based sectors – 82% of the new knowledge based jobs in the CIZ.

As highlighted in Chapter 5, the King's Cross development has also had a strong impact on the CIZ and WIZ through supply chain expenditure – 700 contracts (with a value of around £70 million) are estimated to be enough to support 1,300 direct and multiplier jobs.

More generally, the strong profile of the development in terms of attracting occupiers and tenants has also enhanced the credibility of the area as a business location, with potential knock on benefits in terms of further inward investment.

¹⁷ Note: 2009 is the year from which consistent and comparable employment data is available from.



2. King's Cross: Place. The physical environment of the CIZ has evolved rapidly over the past decade, reflecting the numerous development and regeneration projects which have been delivered. These have been transformational in terms of transport connections to and through the area, in terms of the amount of public space and in terms of the quality of the built environment. Review of three headline performance indicators suggests that the attractiveness and quality of the area has improved significantly in recent years.

Indicator 1: Footfall	Indicator 2: Commercial values and residential values	Indicator 3: Crime
<p>Station entries and exits data provides a good proxy for how use of an area is changing.</p> <p>In 2015, there were 93.4 million entries and exits to King's Cross St Pancras underground station – an increase of over 40% from 2007 (second only to Euston in terms of increase in usage at London's main terminus station).</p> <p>As a result of this increase, King Cross St Pancras has moved from the fourth busiest tube station in London to the second.</p>	<p>Data from Co-Star highlights that commercial values in the CIZ have increased strongly in recent years, from around £26 per sqft in 2011 to around £40 per sqft in 2016. This increase has been above the London wide average.</p> <p>Data from ONS highlights that residential values have increased sharply in the CIZ since 2004. Average house prices in the CIZ now stand at around £610,000 – an increase of £163% since 2004, double the London average. While house price increases have been high across all three wards, they have been particularly high in St Pancras and Somers Town ward (262%), likely to reflect the impact of new homes on the King's Cross development entering the market.</p> <p>Overall, both rises in commercial and residential data suggest a strong improvement in the attractiveness and appeal of the King's Cross area in recent years.</p>	<p>Data on total crimes per thousand provided by the GLA Ward Data Profile indicates crime has reduced by 22% in CIZ over the past decade, from 152 offences per thousand to 118 per thousand.</p> <p>More locally, the rate of offences in the Somers Town Ward has fallen by 40% from 155 crimes per thousand to 94 crimes per thousand.</p> <p>Whilst these statistics represent significant improvements to safety at the local level they fall short of overall decreases in the number of offences at the borough level.</p>
<p>Other indicators which could be tracked to understand the evolving 'place' include the diversity and quality of the residential and commercial stock, visitor satisfaction and vacancy.</p>		

Additionality: The Role of the King's Cross Development in Enhancing the King's Cross Environment

A range of evidence suggests that the King's Cross area has undergone transformational change over the past decade: station entries and exits data suggests footfall through the area has increased rapidly, and increasing commercial and residential values point to the increasing attractiveness of the area. While previously the area performed a function as a transport hub through which people moved, it has quickly come a place where people want to dwell: either living, working, or spending leisure time.

This transformation directly reflects the development activity in the area: including the King's Cross development, but also other landmark developments such as the redevelopment of King's Cross and St Pancras stations. Together, these have enhanced the attractiveness of the area through the provision of new open spaces and public art, enhancing the built and heritage environment, significantly enhancing retail and amenity offer, and helping to improve permeability through the area.

Arguably though, it is the King's Cross development which has proved most transformational in this respect, providing significant critical mass in open space and retail and amenity, and also transforming the local commercial and residential markets, attracting and embedding new populations and types of users to the area.



3. King's Cross: People and Social Inclusion. Alongside the creation of new commercial space, development across the CIZ over the past decade has delivered a number of enhancements which will have impacted on the area as a place to live, not least the provision of new homes and community infrastructure. While there has been some improvement over the past decade against three headline indicators of performance, the socio-economic challenges highlighted in 2004 largely persist, reflecting the deep-rooted nature of these challenges.

Indicator 1: Unemployment	Indicator 2: Income	Indicator 3: Education and Skills
<p>Intelligence on people claiming employment benefits provides information on performance of the local labour market.</p> <p>The latest jobseekers claimant rate for the CIZ is 1.7%, above the London average of 1.2%. The rate remains particularly high for the St Pancras and Somers Town ward at 2.0%. While partly reflecting changes in the benefits system, the number of jobseekers claimants has decreased by 60% (760 people) since 2004, compared to a decrease of 51% across London.</p>	<p>The latest local level intelligence on income levels is for 2012/13. This places the average annual household income for residents in the CIZ at £33,100 – significantly below the London average of £51,000 and also below Islington and Camden averages.</p> <p>Income has increased by around 42% since 2001/2 – similar to the increases seen across Islington and Camden, but below the average for London (47%).</p>	<p>The only data available on education performance at the local level is information on primary and secondary school attainment and attendance provided by DfE.</p> <p>The average GCSE capped point score (the top 8 grades attained by pupils) has increased since 2005 by +22% in the CIZ, higher than increases seen across Islington, Camden and London. Pupil absence has also decreased from 7.6% to 5.4% since 2007, (better or similar improvements compared to comparator areas).</p>
<p>Other indicators which could be tracked over time to understand the evolving population include population age and diversity, skills levels, barriers to work, health indicators, and levels of deprivation.</p>		

Additionality: The Role of the King's Cross Development in Enhancing Local Social Outcomes.

Understanding the impact of a large-scale development on existing local communities can be complex as a result of the need to take into account wider processes of area change. A statistical improvement in prosperity in the local population, for example, could reflect more prosperous people moving into an area, rather than uplift among the existing population. This is likely to be true in King's Cross, which has seen a significant number of private market homes, in an area previously noted for its high proportion of social market housing.

That said, several metrics detailed in Chapter 5 highlighted that the development has had a number of direct and positive impacts for local residents, including:

- Employment – information from KX Recruit highlights the scheme has helped over 400 local (Islington and Camden) residents. While employment data from tenants and occupiers is not available, information from the local travel survey provides evidence of residents of the CIZ and WIZ working within the King's Cross estate
- Local usage – data suggests that local people are making use of open space, events and amenities at King's Cross, with associated social value in terms of wellbeing and welfare
- King's Cross is also acting a hub for networks; many of these have a social purpose at heart and are focused on providing support, initiatives and activities for local people.

The tracking of impact of King's Cross on local residents will need to be undertaken over the long term; to achieve a better understanding of local outcomes, use of top down statistical evidence needs to be weighted against local more qualitative tracking of how the development has engaged with local people and communities.



Supporting Wider City Development Aspirations

- 5.8 Aside from the benefits outlined above, King's Cross plays an increasingly important role in London's evolution. It is increasingly acknowledged as one of the city's principle economic nodes and has become one of the places which is used to sell London to the world.
- 5.9 Since before the first London Plan (2004) King's Cross has been identified as an important node for the city's development and an important, tangible expression of London's evolution.

King's Cross in the 2004 London Plan

"King's Cross has the best public transport accessibility in London. Its central location and unique public transport accessibility offer particular scope for high-density business development, as well as housing. In such a highly urbanised quarter, environmental quality is crucial. The development framework should draw upon the historic features of the site to create a truly sustainable business and residential community, reliant on minimal use of cars."

- 5.10 In subsequent iterations and alterations of the Plan, King's Cross has assumed a more significant role, with regional policy recognising the role that the area could play in a growing global city.

King's Cross in the Latest London Plan (2016 Alterations)

King's Cross-St Pancras now functions as a European passenger gateway and has the highest public transport accessibility in London. This accessibility will improve further with the completion of Thameslink. A new commercial quarter is rapidly emerging. Planning permissions are being implemented in both Camden and Islington for high-density commercial development, office, retail, leisure and housing. King's Cross has arguably matured into a recognised 'place' more quickly than other Opportunity Areas identified within the London Plan. This is particularly the case for those which have experienced a similar level of new development over a similar timescale (such as White City and Wembley). In a polycentric city like London, this is obviously important in providing choice for investors and potential residents.

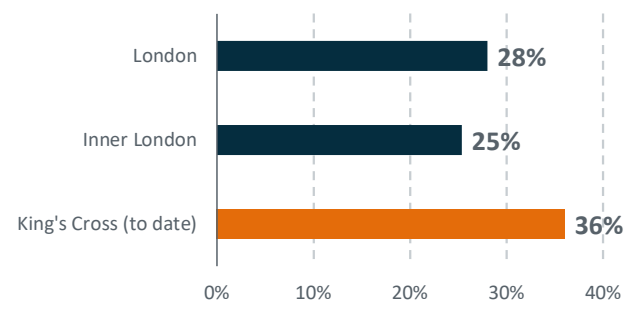
- 5.11 This recognises the extent to which the King's Cross Opportunity Area has already evolved significantly over the past decade. In doing so, the development has contributed towards a number of the Mayor of London and GLA's wider strategic objectives, including:
- **A Hub for Business** – King's Cross has evolved rapidly as a major business hub over the past decade, and in doing so has made a strong contribution to these objectives. The attraction of globally high-profile employers validates the ability of King's Cross to



accommodate world-city functions". King's Cross has also established itself as a centre for two of London's most important growth sectors:

- King's Cross's growing **cluster of digital technology and media businesses**. This has led to the area being identified as "the capital of digital London"¹⁸.
 - King's Cross is also developing as a **hub for health & life science** activities.
- **Housing** – as noted within Chapter 4, over 300 housing units have been delivered to date which are either affordable or 'alternative' provision, around 36% of all units delivered. This represents strong delivery against targets sets for the delivery of affordable models of housing by both Camden and the Mayor of London. The achievement is significant at a time when many developers have sought to reduce the quantum of affordable housing delivered in

Figure 5.1 Affordable / Alternative Housing as a % of all New Delivery Since 2012



Source: Regeneris, based on GLA data

response to wider financial and commercial pressures. Data from the GLA highlights that over the past five years, affordable models of housing account for around 25% of all housing delivered across inner London Borough's, reinforcing the strength of the King's Cross achievement. It should also be noted that King's Cross accommodates a number of different housing typologies, providing opportunities for a broader range of the community.

- **Culture** – both the previous and current Mayor's have stated aspirations to further strengthen London's global reputation for culture and creativity. King's Cross has contributed strongly to this over the past five years – through the protection and restoration of heritage assets, and by ensuring that culture is a common thread running throughout Argent's place-shaping activities. The desire of creative and cultural organisations to locate in King's Cross (from Central St Martins to the Arts Fund), has strengthened this further, and has helped King's Cross to emerge as a new cultural destination in its own right. Argent has received praise in the regeneration industry

¹⁸ <http://www.webgains.com/public/the-guide-kings-cross-the-capital-of-digital-london/>



and wider press¹⁹ for its role in curating the site in a way which continues the positive evolution of the artistic sector.

- **World Class Education** – the delivery of the new campus for Central St Martin's has helped to strengthen London's global reputation as a centre for higher education.
- **Connectivity** – in partnership with TfL, Network Rail and Camden Council, the King's Cross development has helped to transform connectivity to and around the King's Cross area..

5.12 The success of King's Cross to date, and its contribution to these city objectives, can partly be demonstrated through analysis of the evolution of London's Opportunity Areas over the past decade. The 2004 London Plan identified 28 Opportunity Areas across the city, which are highly diverse in terms of their size, context and development focus. Nine of these are 'inner London' locations and their socio-economic evolution over the period since 2004 is introduced overleaf.

5.13 As would be expected given the diversity of locations, progress to date has been varied across each of the areas. While quantitative data is limited and there is no one measure of Opportunity Area 'success', review of a range of socio-economic and place based considerations outlines the comparatively strong performance of King's Cross to date in terms of the level of transformation and reputational change which has been achieved. The **King's Cross Opportunity Area has outperformed many of the other Opportunity Areas** against a range of economic and commercial indicators.

5.14 While to some extent this reflects the fact that King's Cross was starting from a comparatively low baseline position (reflecting it was a largely brownfield site), the analysis further affirms the strong contribution that King's Cross has made to London strategic growth aspirations.

¹⁹ For example: <https://www.theguardian.com/artanddesign/2014/oct/12/regeneration-kings-cross-can-other-developers-repeat-trick>



Figure 5.2 King's Cross Opportunity Area: Performance Against Other 2004 London Plan Opportunity Areas (Aggregated Inner London Opportunity Areas)



Figure 5.3 King's Cross Opportunity Area: Performance Against Other 2004 London Plan Inner London Opportunity Areas
(Disaggregated Inner London Opportunity Areas)

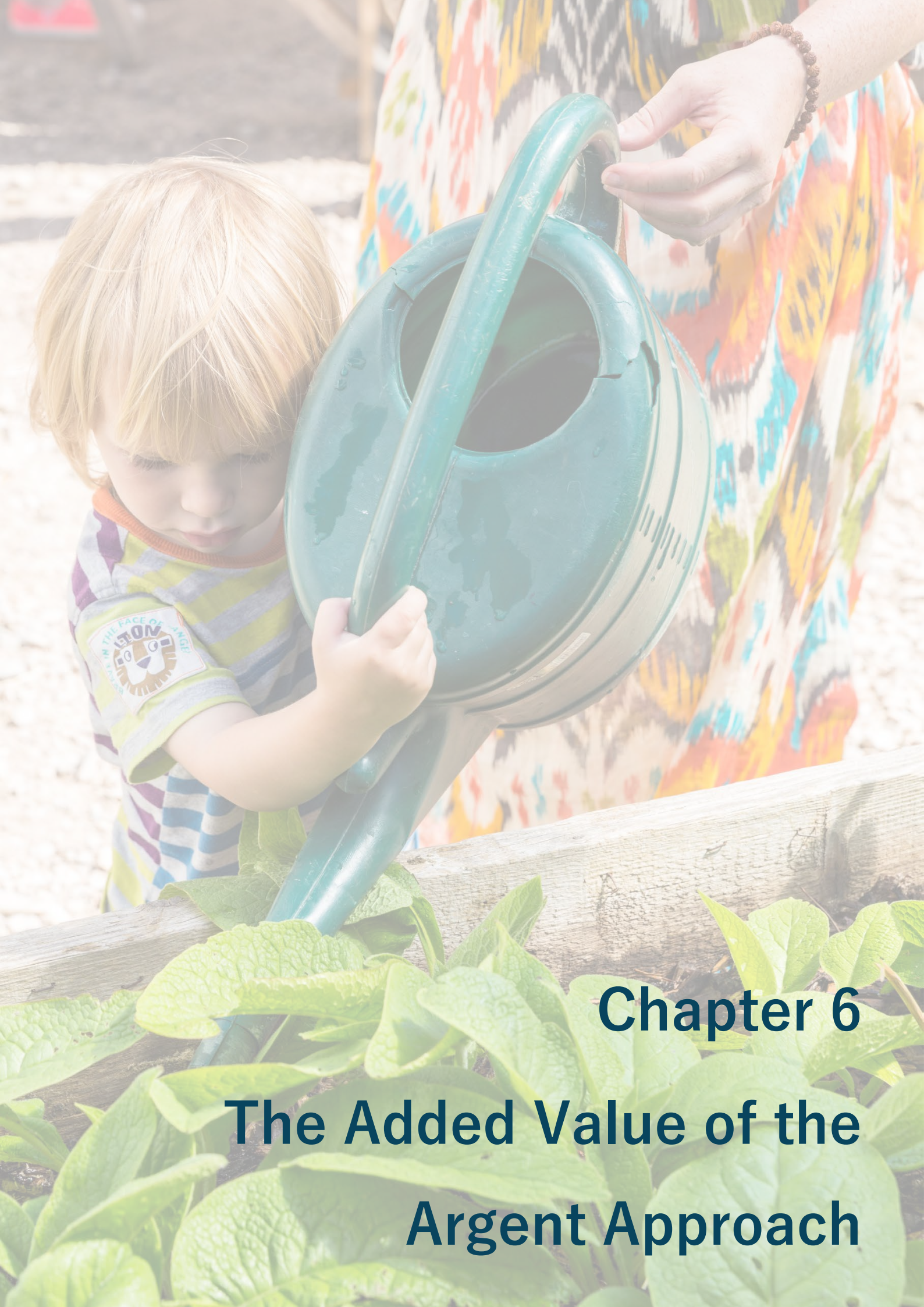
	KING'S CROSS	London Bridge, Borough, Bankside	Elephant & Castle	Isle of Dogs	Paddington	South Shoreditch*	Vauxhall, Nine Elms, Battersea	Waterloo	Whitechapel*	White City
2004 London Plan Aspiration	53 hectares	155 hectares	239 ha		38 ha	901 ha	227 ha	78 ha	901 ha	110 ha
	1,900 homes	1,900 homes	11 homes	Not published	1,000 homes	15,000 homes	20,000 homes	2,500 homes	15,000 homes	6,000 homes
	25,000 jobs	25,000 jobs	11,500 jobs		5,000 jobs	53,000 jobs*	25,000 jobs	15,000 jobs	53,000 jobs*	10,000 jobs
Economy Change Since 2004	+134% jobs	76%	56%	97%	30%	22%	16%	32%	42%	38%
	+237% knowledge jobs	154%	106%	123%	184%	47%	83%	82%	53%	211%
People Change Since 2004	+25% population	33%	7%	131%	11%	68%	28%	33%	24%	1%
Place Change Since 2004	+138% house values	106%	63%	36%	131%	131%	119%	n/a	109%	95%
	+83% office values	60%	85%	6%	41%	182%	42%	112%	171%	n/a

* Note: South Shoreditch and Whitechapel now fall within City Fringe / Tech City OA. Growth aspirations refer to this new, larger area.

Red numerals: King's Cross has performed more WEAKLY since 2004

Green numerals: King's Cross has performed more STRONGLY since 2004





Chapter 6

The Added Value of the Argent Approach

6. The Added Value of the Argent Approach at King's Cross

Summary

The impacts described in the previous chapters have demonstrated that the King's Cross development has already delivered strong levels of impact. Delivery to date and achievements map strongly across aspirations for King's Cross set out in Principles for a Human City which is testament to Argent's social and community commitment.

King's Cross provides a strong case study of Argent's reputation for 'doing development differently' and of the end commercial value that this approach delivers.

Argent's heightened focus on place-shaping, originally outlined in the Regeneration Strategy and Principles for a Human City, is reflected in the provision of open space, public art, retail and amenity uses, has led to strong footfall and commercial take-up levels, with some occupiers stating the high quality public realm and wider development 'ethos' as a key draw to the development.

With its long-term stake in the area, Argent's approach to asset management has enabled a longer-term view to be taken when 'curating' the development, leading to a more durable and high-quality space.

Argent's distinctive approach at King's Cross has helped to deliver typically positive media and industry coverage (at a time when development and regeneration is facing ever greater levels of scrutiny), strong footfall and take-up numbers and the attraction of diverse and high-profile occupants.

These successes have helped King's Cross to evolve rapidly as a new residential, business and cultural district for London. Ultimately, the delivery of a successfully functioning place more quickly than might typically be expected has resulted in strong financial benefits for Argent: commercial and residential returns have shown strong growth and outperformed wider area averages, with the expectation that these will be robust and sustainable in the long term.



Introduction

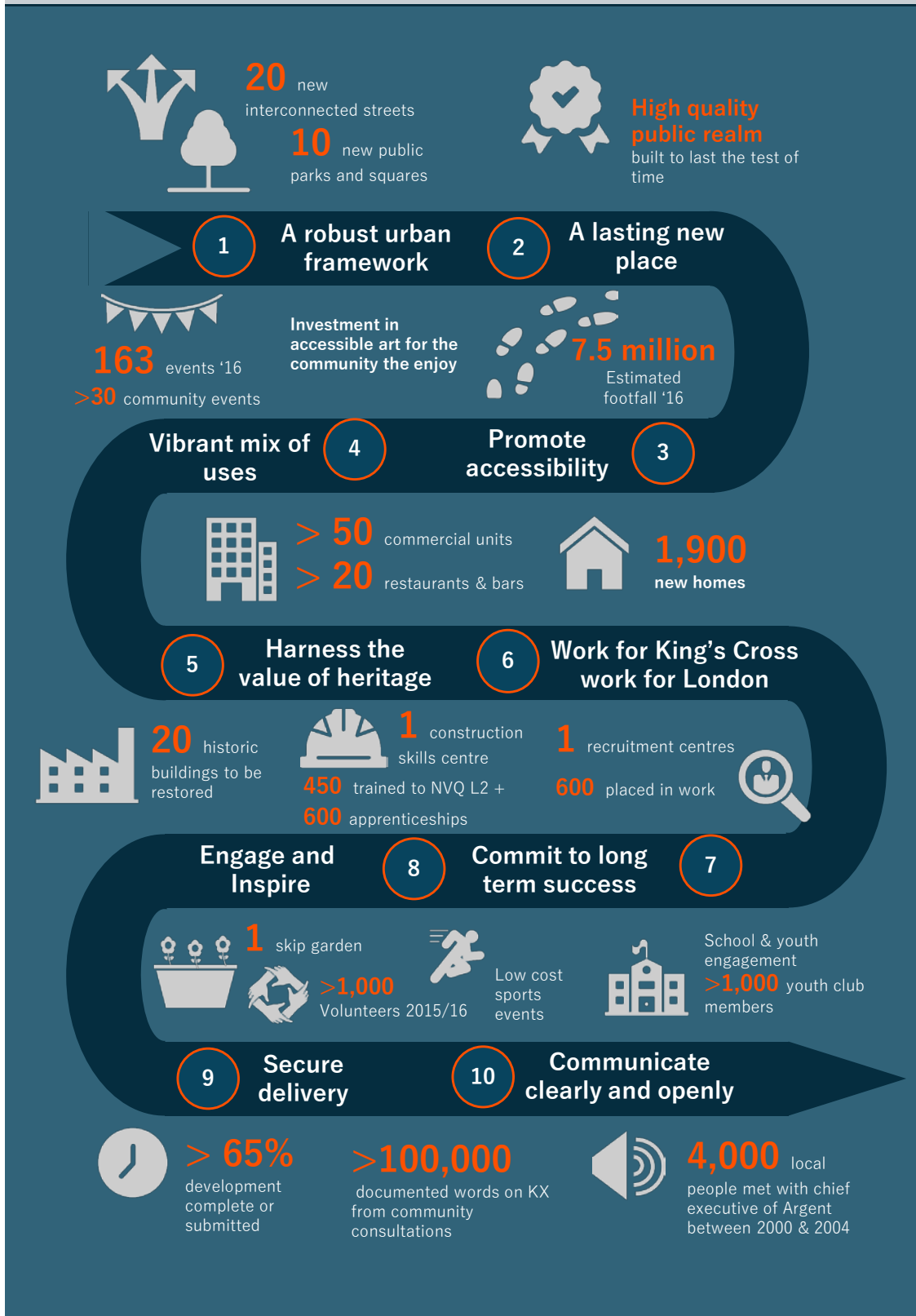
- 6.1 This chapter explores what makes the Argent approach distinct, the results that this delivers and the value that it ultimately adds.

Achievements Against Aspirations at King's Cross

- 6.2 At the outset, Argent established a set of very clear aspirations about what it wanted to achieve at King's Cross within the 2004 Regeneration Strategy and Principles for a Human City.
- 6.3 The research undertaken here highlights that Argent has delivered strongly against these aspirations to date: a strong level of economic and social impact has been achieved within the footprint of the site itself, while the development has also played an integral role in the rapid evolution of the wider King's Cross area as an established and recognised business, residential and cultural location.
- 6.4 While in many respects hard to quantify, evidence suggests that the specific approach that Argent has taken to development at King's Cross has played an integral role to the delivery of these achievements.
- 6.5 As noted previously, Argent's Principles for a Human City set the overall aspiration the delivery of King's Cross. The delivery progress and successes to date demonstrate Argent's continued focus on and commitment to these principles, as summarised overleaf.



Figure 6.1 Linking Delivery to Date to Principles for a Human City



Hallmarks of The Argent Approach

Place-shaping Embedded within Principles

- 6.6 Argent is recognised for its focus on placemaking, putting this at the heart of its developments.
- 6.7 At King's Cross, this has been realised through the delivery of a strong amenity, cultural and education offer in early phases. This is cited as being particularly important by businesses locating in the offer, giving them the confidence of moving into an established area, rather than a new development. The presence of UAL and good accessible public space (whilst not directly relevant to their businesses), have been identified by Google as one of the reasons for bringing their European HQ to the area and London as whole.
- 6.8 Just as important has been the provision of open space (such as Granary Square), public art, retail and amenity uses, and activities to animate space (such as Kerb and the events programme), from a very early stage in the development.
- 6.9 This approach marks a departure from more traditional approaches to development in London, where place-shaping typically has less prominence than the delivery of commercial and residential space and returns. While the value of placemaking is now more widely recognised and fundamental, Argent has been at the forefront of this.

Asset management

- 6.10 Argent's approach to asset management also marks it as distinct from other developers.
- 6.11 At King's Cross, as at previous developments such as Brindleyplace in Birmingham, Argent has a long-term stake, long after development activities are complete. This enables Argent to take a much longer term view when 'curating' the development – both in terms of placemaking but also in terms of the occupiers it is looking to attract.

Long term and flexible approach

- 6.12 From the early Regeneration Framework and accompanying research (2002), a flexible approach to business needs and workspaces has been adopted. This has meant an approach to design and planning which has focused on the specific requirement of companies rather than trying to provide a more speculative offer which tries to reflect the needs of a specific sector or a current trend for working. This has allowed Argent and partners to target specific operators and respond to the changing needs of companies in London.

Collaboration

- 6.13 Argent and KCCLP has worked closely with borough partners, business networks, local stakeholders and neighbouring developers. This has enabled the wider group to coordinate their



offer and ensure that the wider area has been transformed within a shorter timescale than may otherwise have been the case.

Focus on quality

- 6.14 Partly reflecting their long-term approach to asset management, Argent focuses on quality in terms of overall design and build.
- 6.15 At King's Cross, Argent has placed great focus on ensuring high quality and individual design of the new buildings being delivered (a different architect being used for each), and on the quality of the public realm. While this approach is more costly in the short term, the expectation is that it results in a development which is more durable and attractive, leading to longer term benefits.

Innovation and leadership

- 6.16 Argent is also recognised to be highly innovative in terms its approach to development: in many ways, this is enabled by its long terms stake in its places, but also its track record elsewhere in terms of understanding 'what works'.
- 6.17 An example at King's Cross is the public art programme: while a budget for this was set aside under S106 commitments, Argent have taken an innovative approach to how this budget is spent. An example is the King Cross Pond Club, which was funded from the public art budget as an attempt to encourage new ways to engage with the development and rethink space, while also delivering environmental outcomes. The idea was that a 'live' asset such as this, would provide greater value than a piece of static art for example and won the 2016 temporary award at the CIRIA Biodiversity awards event
- 6.18 Argent's recognition as a thought leader in development is reflected by their contribution to strategic discussions across London and nationally regarding approaches to development. Over the past few years, Argent has worked with a **broad range of industry partners to share learning and experiences**, including the Urban Land Institute, BRE, UK Green Building Council and the British Council for Offices.

Focus on community and long term outcomes

- 6.19 Reflecting the long-term approach to development, Argent also places strong importance on ensuring sustainable community outcomes. Creating a place which 'works' over the long term, is of fundamental importance to Argent.
- 6.20 At King's Cross, this has been demonstrated through the delivery of a broad range of socio-economic interventions and community projects. As demonstrated by the network map in Chapter 3, Argent recognises the importance of King's Cross being 'embedded' locally, and helping to strengthen and build capacity in existing networks rather than creating new ones.



How Different is This Approach?

- 6.21 All developments vary significantly reflecting the nature of the developer, and the locally specific context of the development; for this reason it is difficult to make direct comparisons regarding the approach of one developer to the next. Credit should also be given to LB Camden who have played a fundamental role as an equal partner in enabling better place making at King's Cross.
- 6.22 Testament to value of this approach is the recognition of the Argent approach as 'best practice' within the UK development industry (a full list of the 100 awards received by Argent for King's Cross is provided in Appendix C), and the fact that many practitioners are eager to use King's Cross as a case study for learning. This partly reflects the 2012 Social Value Act, and the need for developers to demonstrate stronger social and community commitments when working with the public sector, but also a recognition of the added value that such an approach can bring in terms of development 'success'. This is considered in more detail below.

'Typical' Outcomes of the Argent Approach

6.23 Argent's distinct approach has a number of typical outcomes which could be realised in other developments. Based on the evidence at King's Cross, these might be expected to include:

- 1) **Enhanced perceptions** – over the past five years, King's Cross has received a large amount of positive coverage – both in the mainstream media, within the development / land and property sector, and with the general public. This is partly demonstrated by the **number and breadth of awards that Argent has received for its work at King's Cross to date** (nearly 100 in total; see Appendix C for full list). Much of this can be directly linked to the approach that Argent has taken, including the focus on providing and animating open space, the overall quality of the development and the type amenity uses and timing of their delivery.

'King's Cross has exceeded expectations in becoming a destination in its own right'

Central Saint Martins

- 2) **Strong footfall** – partly reflecting enhanced perceptions, but also the transformation of the area in terms of the type of space and uses, King's Cross has rapidly attracted very strong footfall levels. In 2016, there were **over 7.5 million visitors**, reflecting both day to day footfall (workers, residents and visitors), but also one off footfall linked to events. The place-shaping and phasing approach of Argent has been instrumental in this regard: footfall has been strong at a much earlier stage in the development than might typically be expected, given the early delivery of spaces such as Granary Square and accompanying leisure and amenity uses.



- 3) **Strong take up of space** – take up of space at King's Cross has been extremely strong, **with 1.4m sq ft of space occupied up to the middle of 2016; 97% of all space completed.** Interest in and attractiveness of the development has been demonstrated by a large amount of pre-let space: over half of space currently under development is already let, while 40% of space in the pre-development stage is let. This is further demonstrated by the decision by Google to make a significant investment in King's Cross, in a highly competitive economic environment and despite wider economic concerns (eg Brexit).
- 4) **High profile and diverse occupiers** – linked to the above, King's Cross has been successful in attracting a **broad and high-profile range of occupiers** – both in terms of commercial occupiers (e.g. Google, Universal Music, Havas), the University of the Arts, and wider leisure and cultural occupiers. Consultation suggests that many of these occupiers have been directly attracted by the ethos and distinct characteristics of the King's Cross development, alongside broader location and infrastructure considerations. The profile and diversity of these occupiers have knock on benefits in terms of perpetuating image and perception of King's Cross and further supporting the case for new uses.
- 5) **Better integrated communities** – the Argent approach at King's Cross has helped to deliver a development which integrates well with the existing area and context. From the very start, Argent has **engaged extensively with stakeholders and local communities**, and has continued this through the development process. The network map in Chapter 3 presents a range of these connections and suggest that the development has succeeded in embedding itself within the local context. While not currently quantifiable, in the long term, this has the potential to strengthen community and social outcomes in terms of satisfaction with place, and levels of community cohesion.

“We wanted to be part of something ‘bigger’ at King’s Cross”

The Office Group

“King’s Cross is a perfect location: the transport links and high quality of the place has been a major draw for us in recruitment”

New Day



King's Cross Occupier Case Studies



The Office Group (TOG) provides managed office spaces, co-working rooms, business lounges and meeting rooms. The company has 29 buildings, and caters for businesses of all sizes from the spectrum of creative and professional industries.

TOG has taken two buildings at King's Cross within the Stanley and Gridiron buildings. Office space covers over 50,000 sq ft and accommodates 700 people / members. While the connectivity provided by King's Cross was an important draw for TOG, the company was also drawn by Argent's development aspirations and principles. Of particular importance were the range of interesting and high profile occupiers, the strong amenity offer characterised by a mix of high quality retail, food and drink, and the type and quality of space being provided – both in terms of the architecture and the focus on quality urban design and public realm. TOG were attracted by the idea of "being part of something bigger".

King's Cross has proved a highly successful location for TOG: space has always been fully occupied, and demand has been on a par with that seen in the West End. While expectations we always high, the level of demand experienced has in many respects exceeded these.



PRS for Music is a music licencing company, representing the rights of over 125,000 members. Originally located in Berners Street in London's West End, in 2014 the company took up 52,000 sqft of commercial office space at King's Cross, together with a new space in Streatham.

King's Cross was seen as the best-connected option in London for PRS. They were drawn by other intellectual property based companies who had chosen to locate in the area such as Google and the Guardian. The new development was seen to be a perfect cultural fit. As a membership organisation, moving into a site that places a high importance on investing in public realm and the local community was important for PRS.

Since moving onto the site, PRS has bought into the ethos of the area and worked to support its cultural evolution. This includes developing a musician in residence scheme for King's Cross, appointing Dame Evelyn Glennie to lead the scheme in 2017. Throughout the year Evelyn will be working with the King's Cross community to create new music that involves and resonates with those who live, work and play in King's Cross. PRS for Music have also formed a relationship with the local school on-site, facilitating concerts and performances for the children.



Commercial Impact of the Argent Approach

6.24 The results above and research undertaken in this report suggest that King's Cross is evolving as a successful mixed use quarter of London which is well integrated within the wider area. The ultimate outcome of this is strong performance in terms of values achieved and over returns to Argent.

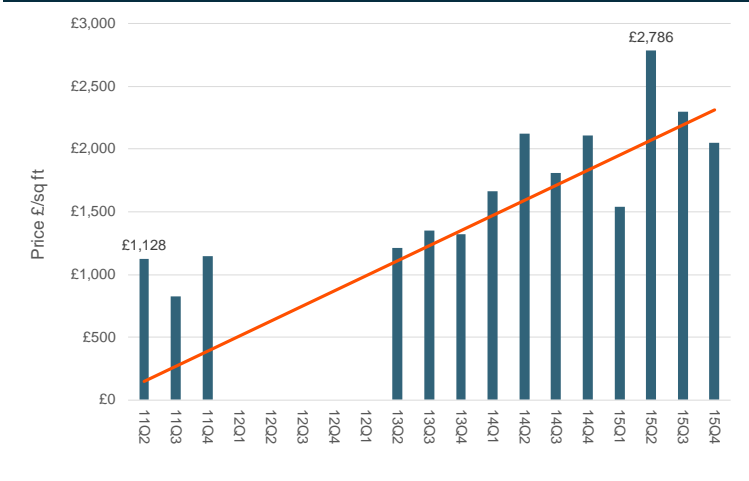
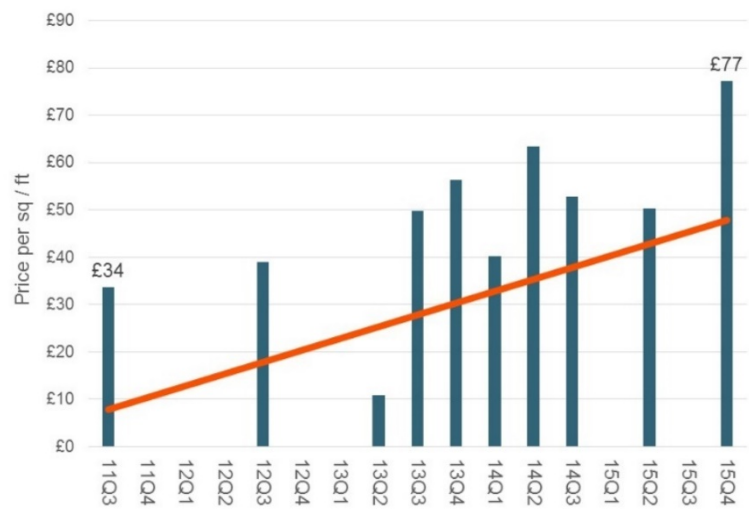
Performance of The King's Cross Estate to Date

6.25 Evidence collected by Argent highlights that performance in terms of **commercial and residential values achieved has been extremely strong to date.**

Figure 6.2 Highest Net Effective Commercial Deals (£ per sq ft)- Offices; Residential Values Achieved (£ per sq ft)

6.26 The sample of commercial deals at King's Cross remains relatively small at this stage, but, as demonstrated by Figure 7.1, the value of these has increased over time, with most recent deals achieving at or above £50 per sq ft, and the most recent deal achieving £77 per sq ft.

6.27 Similar trends have been experienced in terms of residential values achieved, with a strong increase in values since the first sales in 2011 to the most recently recorded sales in 2015. The peak residential value achieved is nearly £2,800 per sq ft.



Source: Argent LLP

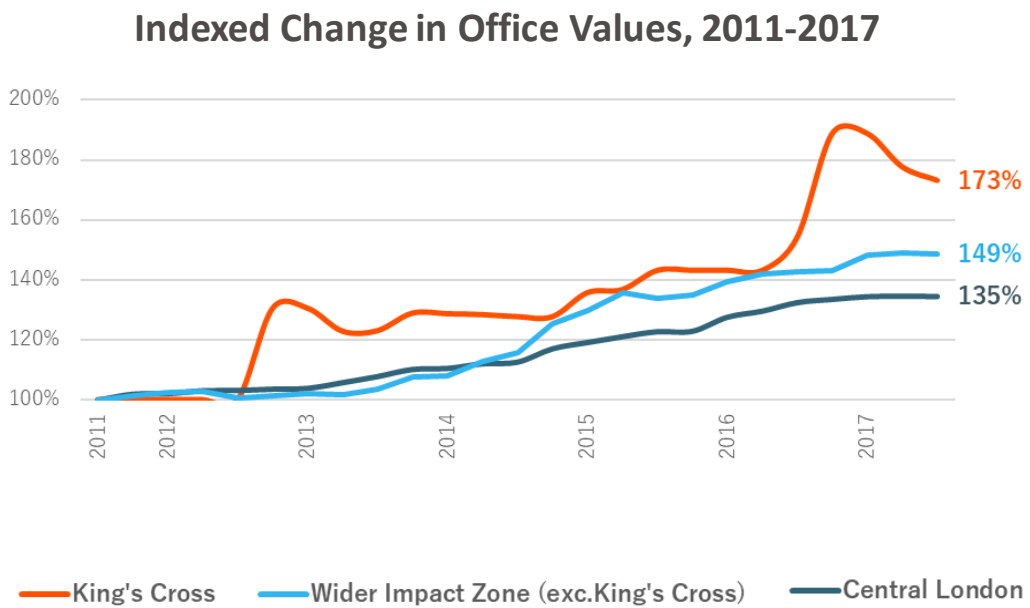
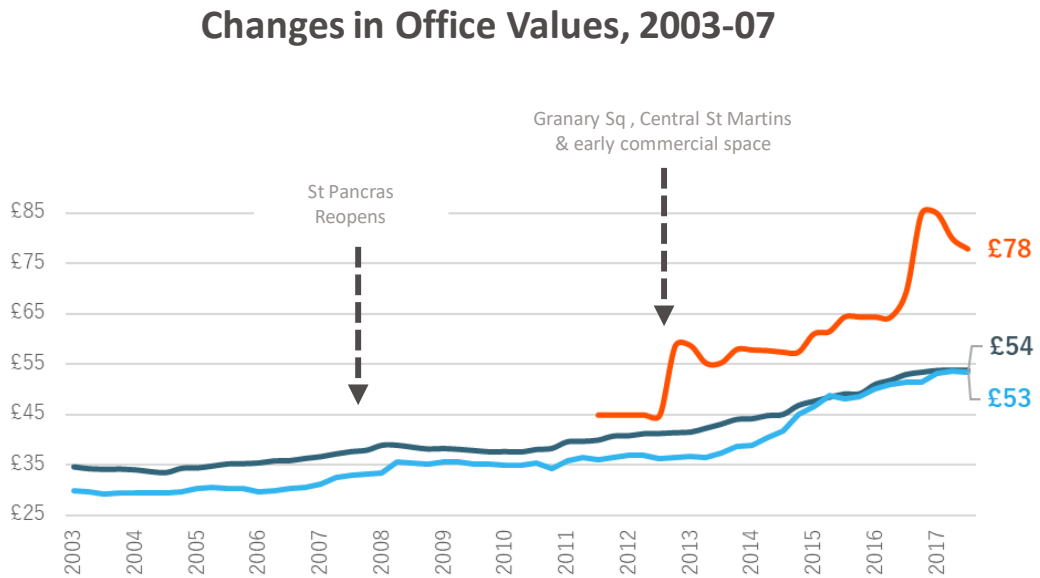


Performance in Context

- 6.28 Latest commercial market intelligence suggests that King's Cross is performing extremely well in its wider context. Latest commercial values being achieved are **significantly higher than the averages for the WIZ and Central London**, and the level of growth since the first commercial space was launched has also been comparatively strong.
- 6.29 There is also evidence that the development is having a **positive impact on commercial values in the surrounding area**. While average values for the WIZ were below the London average in the period to 2011, in recent years, growth in the WIZ has exceeded the London average, and as a result the gap in average values has narrowed considerably. While this will reflect a range of wider development activities across the area (such as the regeneration of St Pancras and King's Cross stations, the role of the King's Cross development in this uplift should not be underplayed.



Figure 6.3 Commercial Rents in Context

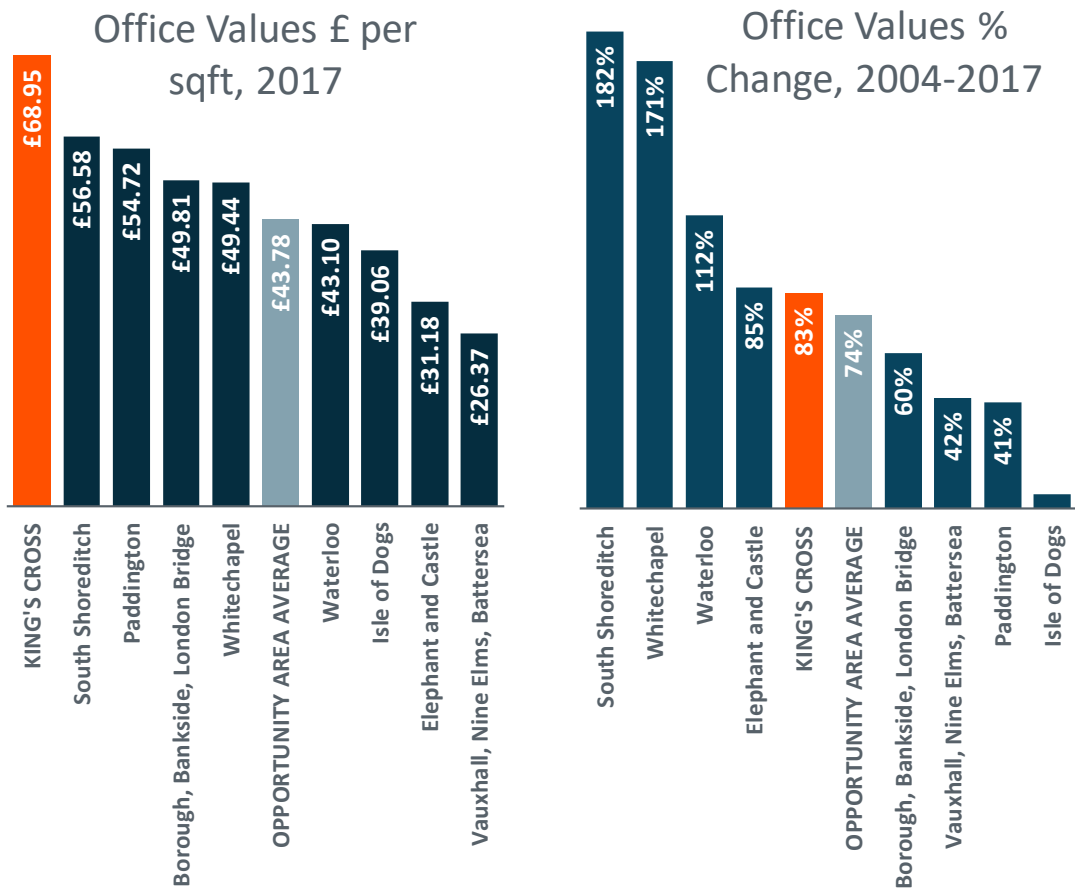


Source: CoStar 2017 . Note: King's Cross values are based on from a small sample size. While the latest deal achieved was at £77 per sq ft, the trendline highlighted in Figure 7.1 projects an average value of around £50 per sq ft across the development.



- 6.30 Values being achieved in King's Cross compare well against those being achieved in prime London markets including the City of London (£70 per sq ft) and above that of Canary Wharf (£48 per sq ft)²⁰.
- 6.31 As demonstrated highlighted in the previous chapter, values also compare strongly against values being achieved across other inner London 'Opportunity Area':
- The average value of King's Cross office space is now higher than in any other inner London 'Opportunity Area' by a considerable margin
 - Values have increased more strongly than the average for all inner London 'Opportunity Areas' since 2004. While a number of Opportunity Areas have achieved stronger growth than King's Cross, this largely reflects locations which started from a very low baseline and have seen a transformation in their economic role (eg Shoreditch, Whitechapel and Elephant and Castle).

Figure 6.4 Office Rents in Inner London Opportunity Areas (price per sq ft)



Source: Regeneris based on CoStar 2017.

²⁰ JLL Central London Office Market Report Q2 2016



- 6.32 King's Cross is also performing strongly in terms of residential values. Price per sq ft data is not available for comparator area, making direct benchmarking of performance difficult.
- 6.33 However, while based on a small sample, the average sale price of a dwelling on the King's Cross development in 2015 was around £1.9m, a figure markedly above Camden (£1m), Islington (£740,000) and London (£545,000).

Table 6.1 Average Residential Sale Prices 2011 - 2015

	2011	2012	2013	2014	2015
King's Cross	£713,500	-	£1,012,800	£1,001,300	£1,991,900
Camden	£723,000	£778,000	£836,000	£968,600	£1,036,100
Islington	£506,900	£524,200	£575,600	£670,300	£742,700
London	£421,200	£437,600	£473,800	£525,300	£545,400

The Commercial Property Agent Perspective

Consultation with Cushman and Wakefield, Argent's property agents at King's Cross, has highlighted the strength of performance. Expectations for commercial space are now between £65 per sq ft (pre-let space) and £75 per sq ft: values which are now on a par with parts of the West End such as Soho and Fitzrovia. Cushman and Wakefield cited financial firm XTX Markets as an example of the draw of King's Cross, which is now competing with established financial service locations such as Mayfair and the City.

Cushman and Wakefield draw clear links between this commercial performance and the ethos and approach taken to development by Argent. Of particular importance are the mix of uses (Central St Martin's being particularly important), the close attention to phasing, the flexible approach taken to masterplan delivery (fundamental given the wider economic context), Argent's stewardship of the site (which has helped to distract from ongoing construction), and the 'user friendly' approach taken to engaging with potential occupiers.

Long Term Resilience

- 6.34 Arguably, in addition to generating strong residential and commercial returns, further added value of the Argent approach relates to the **long-term sustainability of these returns**.
- 6.35 Argent's long term approach to asset management, and focus on creating a well-integrated, active environment, has the potential to ensure that King's Cross remains resilient and competitive in the long term. Argent has the ability to respond to opportunities and threats in a proactive way, continually helping the area to remain attractive to occupiers and investors.

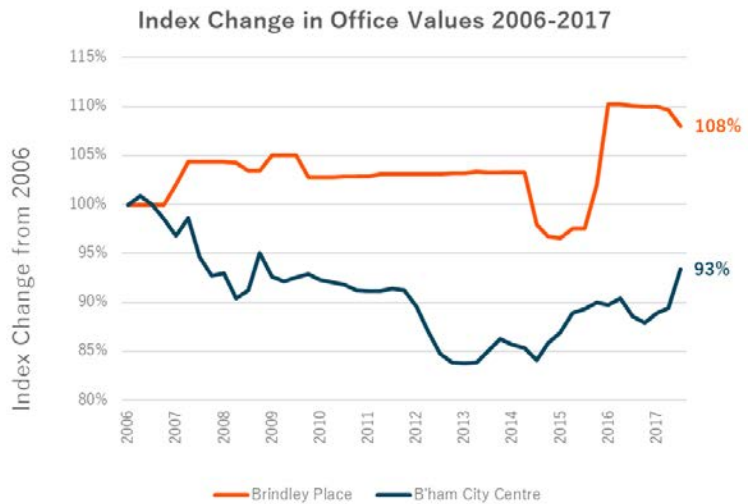
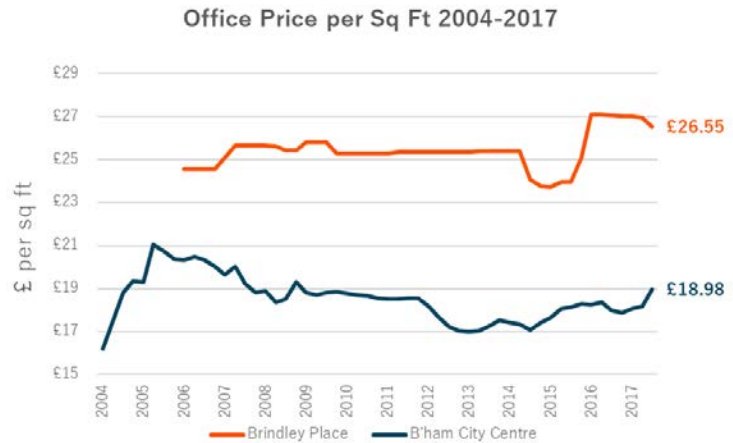


Case Study: Brindleyplace, Birmingham

Brindleyplace is a large development on the edge of Birmingham City Centre. It was developed by Argent over a decade from 1993 and provides a mix of commercial, residential, amenity and cultural uses.

Like King's Cross, Brindleyplace has performed strongly in commercial terms. While Brindleyplace typically traded at a 10% rental discount to the city core, by 2002 prime rents at Brindleyplace and the CBD were in parity, reflecting the high quality space and environment delivered via Argent's focus on place making. While the number of commercial deals in the area is comparatively low, evidence suggests that Brindley Place has outperformed the wider City Centre over the past decade, including during the financial downturn.

Argent's long term approach to asset management and ongoing commitment to place-making is likely to have played an important role in ensuring that demand stays strong at Brindleyplace even as the city evolves around it.

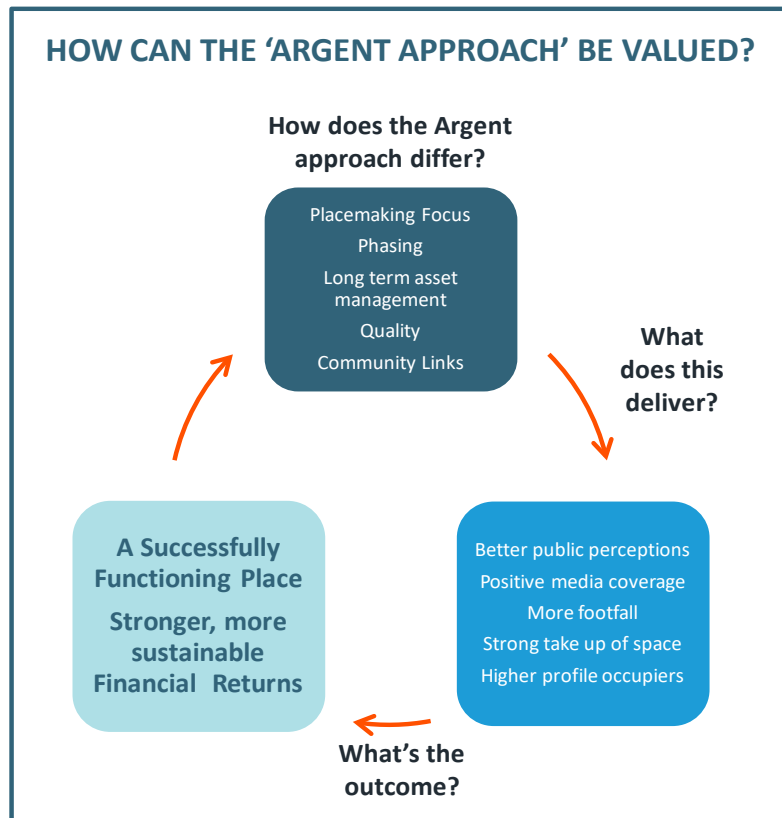


The Added Value of the Argent Approach: The Need for Ongoing Tracking

6.36 The research has demonstrated how the Argent approach at King's Cross has been instrumental in delivering strong development outcomes so far:

- With its long-term stake in the area, Argent's approach to asset management has enabled a longer-term view to be taken when 'curating' the development, leading to a more durable and high-quality space.
- Argent's focus on place-shaping, (reflected in the provision of open space, public art, retail and amenity uses), has led to strong footfall and commercial take-up levels
- This has helped to deliver typically positive media and industry coverage (at a time when development and regeneration is facing ever greater levels of scrutiny).

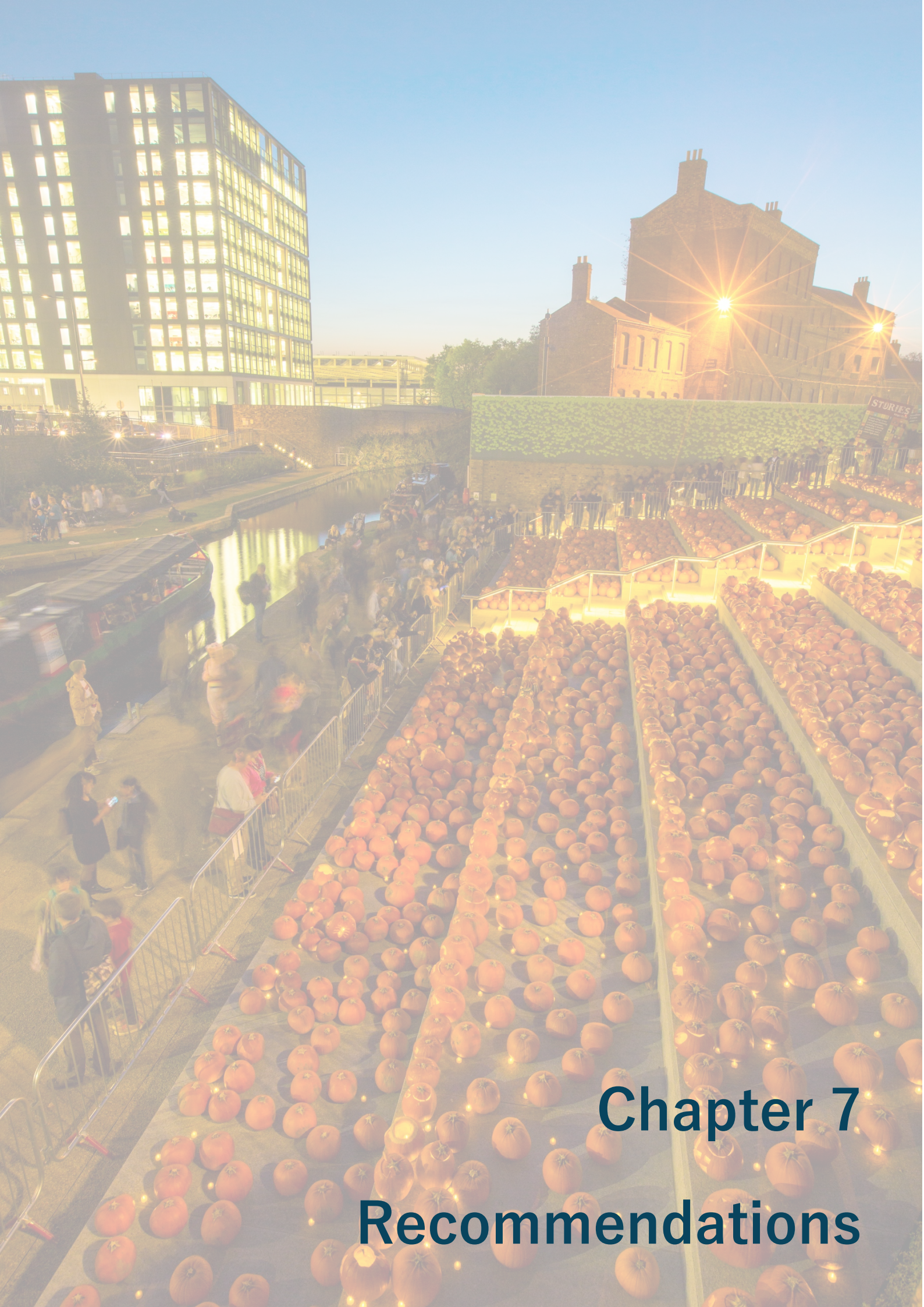
- These successes have helped King's Cross to evolve rapidly as a new residential, business and cultural district and has resulted in strong commercial benefits for Argent: commercial and residential returns have shown strong



growth and outperformed wider area averages, with the expectation that these will be more sustainable and robust over the long term.

6.37 However, the field of evaluating Social Value, and in particular understanding the impact of 'place-shaping' on commercial returns, is still developing. Argent will need to continue to track the evolution of this thinking and practice closely, to keep developing the case between Social Value, commercial returns and therefore defining the value of the Argent Approach.





Chapter 7

Recommendations

7. Recommendations for King's Cross

Summary

While Argent already collects a large amount of relevant data at King's Cross there are several areas where information gathering could be strengthened to enable a more thorough assessment of impact and delivery against development aspirations and the Principles for a Human City. For example, enhanced data on the outcomes of place-shaping and socio-economic initiatives, on interaction of existing residents and communities with the development, and on the economic and social footprint of new tenants and occupiers would strengthen analysis.

Looking ahead, a more integrated and nuanced approach to tracking economic and social impact and wider area change would be beneficial:

- Using quantitative data wherever possible to examine long term change in the demography and characteristics of local people, and the nature and performance of the local economy.
- Understanding and tracking the social impact of the supply chain and occupiers
- Engaging in conversation with local communities to understand more closely social and community interaction and the impact that this delivers over the long term.

Argent's long term stake in King's Cross provides a strong platform to take this forward, with the potential to develop new and innovative techniques to track social and economic impact more effectively.

Introduction

- 7.1 Despite the achievements outlined in the previous chapter, the research has also highlighted a few areas where information gathering could be strengthened to enable even more thorough and robust assessments of Argent's impact and value added at King's Cross.

Current Gaps in the Evidence

- 7.2 Analysis in Chapter 4 builds on the large amount of information already gathered by Argent, to provide an assessment of the impact of the King's Cross development to date.
- 7.3 However, this only a *partial assessment*, there are a number of areas where it has not been possible to provide a valuation of the impact of Argent's activity, because either the data or a methodology for valuation does not exist.



- 7.4 These largely relate to measures of social impact such as:
- The economic and social impact and footprint of occupiers and tenants located within the King's Cross estate.
 - The value of previously unemployed people entering employment across King's Cross (including within commercial tenants)
 - The social impacts of providing access to affordable / intermediate housing
 - The value of participation in the arts and leisure
 - Social values associated with enhanced environment, crime and community belonging.
- 7.5 Aside from the above specific measures of social value, the research has also highlighted that:
- At the overarching level, it is currently difficult to demonstrate holistically, the extent to which King's Cross has 'integrated' successfully and inclusively with existing communities locally
 - A longer-term approach is needed to track social outcomes within neighbouring communities
 - Continued comparison of King's Cross against a number of benchmark developments could be valuable in terms of demonstrating added value.

Enhancing Evidence Collection at King's Cross

- 7.6 Looking ahead, there are a number of areas where monitoring could potentially be enhanced.
- 7.7 These revolve around the ability of Argent to track and demonstrate its social impact in the round – particularly among existing local communities. This is increasingly important in the context of increased focus on social impact within the public sector since the 2012 Social Value Act.

Closer tracking of engagement with and impact on local communities

- 7.8 Ensuring a positive economic and social impact among existing local communities has been a core aim of Argent at King's Cross from the beginning of the masterplanning stage.
- 7.9 Despite this, only a limited amount of information exists on how local communities are engaging with King's Cross as the development progresses (information on local residents employed via KX Recruit being one example).
- 7.10 Looking ahead, a stronger base of evidence in this regard is likely to be valuable to Argent, both in terms of helping to ensure that positive impacts are being achieved, and then articulating these to wider audiences.
- 7.11 This could be achieved by:



- Ensuring that where data is already collected by Argent and partners, this takes a **consistent** approach in terms of maximising levels of information on local community engagement.
- Periodic **surveys to track community engagement, inclusion, wellbeing and cohesion** in neighbouring areas. The government's Community Life Survey provides a standard and approved methodology for this, and allows benchmarking of performance against regional and national averages
- In addition, **qualitative / ethnographic approaches** might be explored. The focus here would be on more in-depth research into local communities, focusing on people's experiences and perceptions of change. This is a more labour-intensive approach, is difficult to replicate over long time periods and does not allow direct comparison with other areas. It does however, provide more detailed consideration of social outcomes alongside broader economic metrics. It also allows impact and area change to be considered on a more immediate basis than statistical analysis allows, with the possibility of gathering information on the extent to which people's lives have been directly affected by a specific intervention.
- Exploring new data sources to better understand how communities in neighbouring areas such as Somers Town are using and interacting with the site. Use of **mobile telecommunications data**, for example, could enable a more granular level of analysis of the precise travel patterns of users. Online **community engagement platforms** offer a new and engaging methodology to gather feedback and perspectives on how an area is being used, and by whom.

Quantitative tracking of social value of tenants and occupiers

- 7.12 Currently, there is limited tracking of the economic and social impact of specific tenants and occupiers across the King's Cross estate.
- 7.13 Given the long-term approach that Argent takes to estate management, there could be potential for Argent to gather more information from tenants on an ongoing basis. Approaches taken elsewhere have highlighted that if well managed, data gathering of this nature can add significant value, and can also help to enhance networks and relationships, and attitudes towards social values and principles.

Benchmarking of Performance

- 7.14 In addition to closer monitoring of local social and community outcomes, a more consistent approach to benchmarking of performance would be beneficial:
- Benchmarking local economic, social and place based indicators against wider area averages to demonstrate the evolution and trajectory of the wider King's Cross area



- Benchmarking the delivery of the development against other major developments in London to gather more consistent evidence of the added value of the Argent approach.
- 7.15 Information in this report (Chapter 5 and 6) provides an initial platform to build on, but this will need to be a long-term process to be truly effective.

Focusing on a Consistent Basket of Impact Indicators

- 7.16 As demonstrated throughout this report, a large amount of information on the impact and performance of King's Cross is already gathered.
- 7.17 Looking ahead, a focus on achieving a strong balance between social, economic and financial measures would be beneficial. While it is not pragmatic to expect all impacts to be measured, there is potential to consider and value a broader range of impacts than is currently the case (including those which may be harder to measure). At the same time, retaining a robust approach is of fundamental importance to ensure that impact measurement remains credible and adds genuine value.
- 7.18 An initial aim for Argent should be to focus on identifying and tracking a manageable basket of indicators which individually add value and help demonstrate progress against the Principles for a Human City. These indicators should focus on demonstrating the performance of King's Cross as a place, as opposed to the direct activities of Argent.
- 7.19 Adopting a consistent and robust approach in respect of this indicator basket will help to establish a more rounded and deep understanding of King's Cross and its communities as the development progresses.

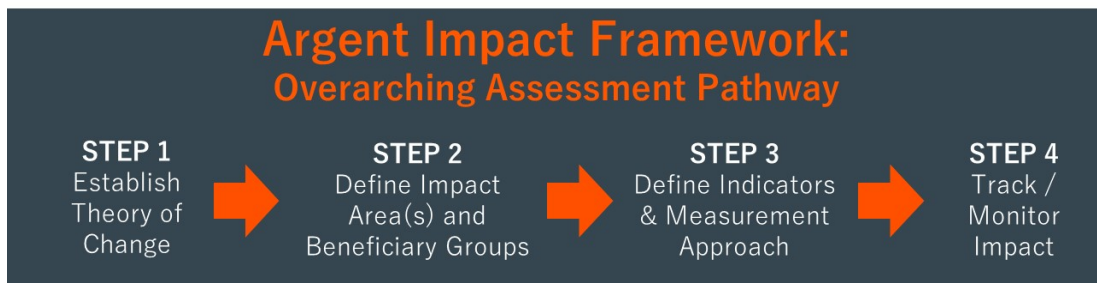
Monitoring Impacts Across Future Developments

- 7.20 As Argent grows its development portfolio, a consistent and robust approach to evidence and tracking impact has an important role to play in day to day delivery activities, but also at the more strategic level in terms of informing decision making and helping to articulate the value of Argent' activities to wider audiences.
- 7.21 While recognising that each of Argent's developments across the UK will be distinct in context and scope, the top-level principles and approaches to tracking impact will remain the same.
- 7.22 Building on the research undertaken for King's Cross, we have developed an overarching framework to help Argent track the impact of each of its developments.
- 7.23 The framework is underpinned by a number of fundamental considerations:
- **Theory of change:** a strong theory of change at project inception can provide a strong platform for delivery by setting out a clear narrative for what the project is trying to achieve and therefore the impacts which ultimately need to be captured / valued.



- **Balance:** it is important that balance is achieved, with assessment of impact reflecting a mix of economic, social, fiscal and environmental considerations, which accurately reflect development objectives. Impact should consider both the direct impact of Argent's activities throughout the different development stages (from design and consultation, through to construction and operation), but also catalytic impacts for local communities
- **Evidence throughout project life cycle:** strong evidence has a role to play throughout the project lifecycle: from initial understanding of the local context, to design of vision and objectives, to assessment of impact. More iterative use has an important role to play in refining delivery processes and maximising impact.
- **Consistency and robustness:** design of a strong framework for impact assessment should underpin any project: this should take into account the impact area(s) which need to be assessed, the nature of the beneficiary group(s) impacted, and the need to understand the true added value of a project (or 'additionality') in the context of wider 'area change'.

7.24 The impact framework comprises four overarching steps which are designed to help the development of a coherent, consistent and robust approach to monitoring and valuation, as summarised below.



Step 1: Develop Theory of Change

7.25 Taking the time up front to think clearly about the aspirations for and expected evolution of a project is of fundamental importance. Defining measures of success is an important part of this.

7.26 A strong theory of change can provide a strong platform at project inception by ensuring that a clear and shared understanding is reached regarding:

- The local and strategic context
- A clear vision and SMART objectives
- The delivery mechanism and strands of delivery
- The core deliverables, and the longer term impacts and outcomes to be achieved



- A plan for monitoring and evaluation.

7.27 Despite the diverse nature of development and 'placemaking', consideration of the type of questions set out below can potentially play an important role in helping to enhance project design and provide a stronger basis for the tracking of impact as delivery progresses.

Step 2. Define Impact Geographies and Beneficiary Groups

7.28 At an early stage it is important that the likely impact areas and beneficiaries groups of the development are explored and defined. This will help to ensure that the correct indicators of impact are selected.

7.29 Building on the approach taken at King's Cross, the diagram below highlights the more important considerations in this respect.

Step 3: Selecting Impact Measures

7.30 In any development, a wide and diverse range of indicators may be applicable to support impact measurement.

7.31 As noted previously, it is not pragmatic to expect all impacts to be measured: at an early stage Argent should focus on identifying and tracking a manageable basket of indicators which individually add value and help demonstrate progress against the development objectives.

7.32 These should reflect the specific context of the development and the wider area context and should balance social, economic and financial considerations.

Step 4. Track Impact Throughout the Project Lifecycle

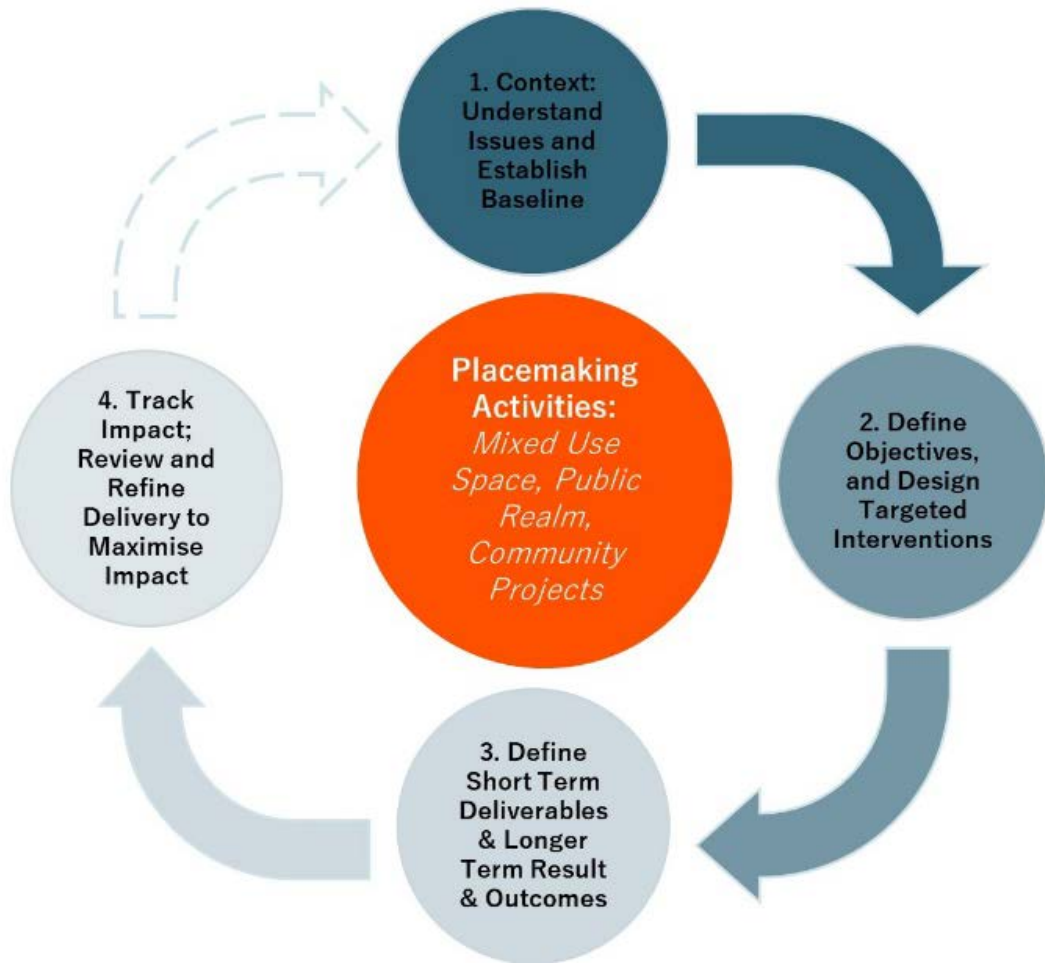
7.33 The approach to tracking impact should focus on the collection of robust and consistent data. This should include:

- A mix of quantitative and qualitative techniques to ensure both some of the more intangible measures of success are identified
- Use of benchmarks and comparisons to place performance and trajectory in context
- Focus on understanding the additionality of the delivery activity to help demonstrate how different approaches can add value.

7.34 As highlighted overleaf, monitoring and analysis should be viewed as a continuous cycle which allows project performance to be continually reassessed against objectives to enable a footloose and dynamic response to changes in local contexts and circumstances.



Figure 7.1 Tracking Impact: A Continuous Process





Appendices

Appendix A - Quantified Impacts at King's Cross

Summary of Quantified Impacts			
Delivery to date	Impact	Value	Impact type
Impact Theme 1: Development Activities			
<ul style="list-style-type: none"> £3bn invested in construction activities 1,500 different suppliers used 3,500 local suppliers used (£70m contracts) >85% waste diverted from landfill 1 construction skills centre 600 apprenticeships 450 NVQ L2 assists. 	Supply chain jobs supported in CIZ and WIZ by Argent expenditure...	500	Economic
	Supply chain GVA supported in CIZ and WIZ by Argent expenditure...	£33 million per annum	Economic
	Construction skills centre individuals receiving NVQ L2 qualifications....	£0.2m economic and financial uplift per annum; estimated £4.6m over lifetime	Economic and financial
	Through construction skills centre individuals undertaking apprenticeships....	£0.8m economic and financial uplift per annum; £16.8m over lifetime.	Economic and financial
Impact Theme 2: Residential Development			
<ul style="list-style-type: none"> 900 new homes 1,200 working age residents 325 affordable homes 750 student rooms 	Additional household expenditure in the local (Islington and Camden) economies...	£17m per annum	Economic
	Jobs in local (Islington and Camden) services and amenities supported by additional household expenditure...	200 direct & multiplier jobs	Economic
	Additional council tax generated by new residential units...	£1.4 million per annum	Financial (income for LB Camden)
Impact Theme 3: Commercial Development			
<ul style="list-style-type: none"> 19 office buildings 3m sqft commercial space 39 unique businesses 2 recruitment centres 600 people placed in work since 2014 330 previously unemployed 	Permanent jobs directly supported on site...	8,500 jobs	Economic
	Salary and total economic value (GVA) generated on site...	£0.28bn salary value per annum and £0.48bn GVA per annum	Economic
	Estimated multiplier benefits across Camden and Islington associated with on-site employment...	850 jobs and annual GVA of £48m	Economic
	Estimated economic value of people moving into employment via KX Recruit...	£4.6m per annum; indicative lifetime value of £20.7m assuming those supported remain in work for average of 5 years	Economic, social and financial
	Estimated businesses rates generated by within completed floorspace....	£25m business rates per annum	Financial



Impact Theme 4: Public Realm and Placemaking

<ul style="list-style-type: none"> • 10.5 ha public realm • 7 restored heritage buildings • 7.5m visitors (15/16) • 163 events (15/16) 	Spend of visitors to King's Cross both for work and leisure / events...	Visitor spend supporting £480m GVA per annum identified under Impact Area 3	Economic
	Public willingness to pay for new open space and public realm...	£1.2m willingness to pay	Social

Impact Theme 5: Community and Regeneration Projects

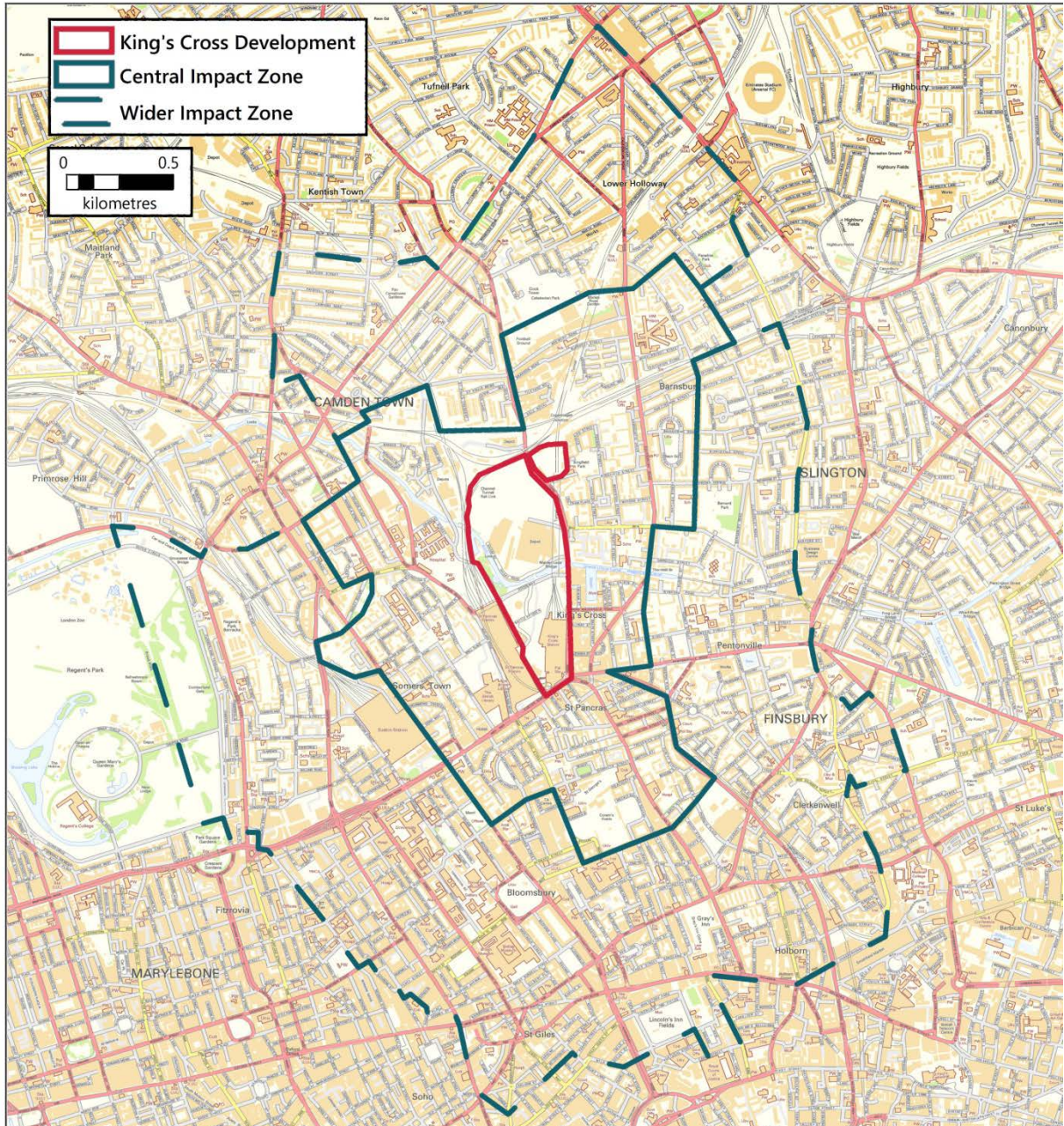
<ul style="list-style-type: none"> • > 1,000 skip garden young person and business person volunteers (15/16) • 1,200 youth group members • 2,700 attendees to free sports events • 20,000 visits to the Pond 	Regular volunteering at skip garden (15/16) – assuming 64% of volunteers are regular...	£2.3m wellbeing value	Social
	Regular youth group attendance (15/16) – assuming 50% of attendees are regular	£0.7m wellbeing value	
	People taking part in regular exercise (15/16) – assuming 10% of visits relate to 'regular' attendees...	£9.5m wellbeing value	



Appendix B - Central and Wider Impact Zones

B.1 Argent's Central and Wider Impact Zones for King's Cross are outlined in the map below.

Figure 7.2 King's Cross Central Impact Zone (CIZ) and Wider Impact Zone (WIZ)



Appendix C - Argent Awards at King's Cross

C.1 Since 2002, Argent has received nearly 100 awards for its activity at King's Cross, with the focus of these ranging from the development as a whole to specific buildings and placemaking projects.

Argent Awards at King's Cross 2002-2017		
2017 (so far)		
KCCLP	Client of the Year	Awarded by: bd Architect of the Year Awards
Tapestry	Regional Award	Awarded by: RIBA London Awards
Regeneration of King's Cross	Investment in London's Future	Awarded by: London First Awards
Gasholder Park	IALD Award of Merit	Awarded by: Int Association of Lighting Designers
2016		
KX Pond Club	Temporary	Awarded by: Big Biodiversity Challenge Awards
King's Cross	Regeneration Scheme over £500k	Awarded by: BALI Awards
Gasholders London	Architecture Multiple Residence	Awarded by: International Property Awards
Skip Garden	Special Achievement	Awarded by: NLA Awards
Argent	Special Achievement	Awarded by: GIS (SAG) Awards
The Plimsoll Building	Education	Awarded by: RIBA
German Gymnasium	Considerate Constructors Scheme	Awarded by: National Site Awards
Gasholders London	Best International Architecture Multiple Residence	Awarded by: International Property Awards
King's Cross	Grand Award	Awarded by: BALI Awards
Gasholder Park	Best Landscape Lighting Scheme - High Budget	Awarded by: Darc Awards
The Plimsoll Building	Mixed-Use Development	Awarded by: International Property Awards
Coal Drops Yard	Restaurants and Retail - Unbuilt	Awarded by: NLA Awards
Five Pancras Square	Commendation	Awarded by: Civic Trust Awards
Five Pancras Square	Bespoke (Mixed-Use & Other Buildings)	Awarded by: BREEAM
Seven Pancras Square	Best Heritage Project	Awarded by: Planning Awards
Gasholders London	World's Best Architecture	Awarded by: International Property Awards
Gasholder Park	Architecture - Mixed Use - Constructed	Awarded by: London Design Awards
Somers Town Bridge	Transport and Infrastructure	Awarded by: NLA Awards
Gasholders Park	Public Space	Awarded by: NLA Awards
German Gymnasium	Restaurants and Retail - Built	Awarded by: NLA Awards



Granary Square benches	Furniture Design	Awarded by: Design Week Awards
One Pancras Square	Special Award for Sustainability	Awarded by: Civic Trust Awards
2015		
One St Peters Square	Best Commercial Office Building	Awarded by: National BCO Awards
Five Pancras Square	Best Practice Award	Awarded by: British Construction Industry Award
Four Pancras Square	Best Office	Awarded by: New London Architecture
Five Pancras Square	Sustainable Project of the Year	Awarded by: Construction News
King's Cross Central Ltd Partnership	Sustainable Achievement	Awarded by: OAS Awards
ArtHouse	Commendation	Awarded by: Civic Trust Awards
Argent on behalf of KCCLP	Overall Winner	Awarded by: Sustainable Cities Awards
Five Pancras Square	Sustainability Project of the Year	Awarded by: Building Awards
Five Pancras Square	Commercial (sponsored by NHBC)	Awarded by: RICS
Five Pancras Square	RIBA London Regional Award	Awarded by: RIBA Awards
Five Pancras Square	The Prime Minister's better public building award	Awarded by: British Construction Industry Award
King's Cross Central Limited Partnership	Most Cycling Friendly Development	Awarded by: Club Peloton Award
King's Cross Pond Club	Temporary (commendation)	Awarded by: New London Architecture
King's Cross Central Ltd Partnership	Best website	Awarded by: Property Marketing Awards
Argent (King's Cross and One St Peter's Square)	Overall Developer of the Year	Awarded by: OAS Awards
One Pancras Square	Daikin Europe: New Construction	Awarded by: BREEAM
Five Pancras Square	Built environment (impact)	Awarded by: Guardian Sustainable Business Awards
Argent on behalf of KCCLP	Highly Commended, Sustainable Places	Awarded by: Sustainable Cities Awards
Five Pancras Square	Sustainability	Awarded by: RIBA Awards
Argent (King's Cross)	Most Innovative Development of the Past 20 Years	Awarded by: Property Awards
Five Pancras Square	Health & Safety Award	Awarded by: British Construction Industry Award
Five Pancras Square	Public Building (commendation)	Awarded by: New London Architecture
Four Pancras Square	Best Office	Awarded by: Construction News
King's Cross	Most Innovative Development in the last 20 years	Awarded by: Property Week National Awards



Argent on behalf of KCCLP	Sir Peter Parker Award	Awarded by: Sustainable Cities Awards
Argent LLP	Construction Client of the Year	Awarded by: Building Awards
Five Pancras Square	Best Inclusive Building	Awarded by: LABC Awards
2014		
One Pancras Square	Commercial category	Awarded by: RIBA
King's Cross	Masterplan	Awarded by: NLA Awards
Granary Square	Awarded by: Camden Design Awards	
4 Stable Street	Projects up to 2,000 sq m	Awarded by: BCO National Awards
Kings Cross St Pancras	Improvement to Londoners' Quality of Life	Awarded by: London First
Saxon Court & Rosebery Mansions	Housing	Awarded by: RIBA
The Plimsoll Building	Housing	Awarded by: NLA Awards
King's Cross Masterplan	Best of the Best	Awarded by: NLA Awards
Saxon Court & Roseberry Mansions	Awarded by: Camden Design Awards	
4 Stable Street	Projects up to 2,000 sq m	Awarded by: BCO Regional Awards
Saxon Court & Roseberry Mansions	Special Award for Brick	Awarded by: Civic Trust Awards
One Pancras Square	Office building	Awarded by: NLA Awards
ArtHouse	Mayor of London Award	Awarded by: Housing Design Awards 2014
King's Cross	Deal of the Year	Awarded by: Office Agents Society
Granary Building	Awarded by: Camden Design Awards	
2013		
King's Cross	Regeneration Award	Awarded by: Property Awards 2013
The Filling Station	North London Regional Award	Awarded by: RIBA
Argent, King's Cross	Property Firm of the Year	Awarded by: City A.M
Argent	Developer of the Year	Awarded by: Property Awards 2013
5 Pancras Square	Other	Awarded by: BREEAM @ Ecobuild
Saxon Court & Roseberry Mansions	Awarded by: Residential (one of 3 winners)	NLA Awards 2013
King's Cross Central Partnership	Deal of the Year - Industry Impact	Awarded by: Estates Gazette
Argent	Client of the Year	Awarded by: AJ100
The Filling Station	London-Best Small Project Award 2013	Awarded by: RIBA
UAL	Best Large Development	Awarded by: Camden Business Awards
2012		
King's Cross	LABC Award	Awarded by: RICS Awards for London
King's Cross	RICS Award	Awarded by: RICS Awards for London
King's Cross	Best Overall Marketing Campaign (Offices)	Awarded by: Property Marketing Awards
King's Cross	Mayors Award for Planning Excellence	Awarded by: RICS Awards for London



Central Saint Martins, King's Cross	Building of the Year Award	Awarded by: AJ100
2011		
The Hive	Commercial Workplace'	Awarded by: BCO Regional Awards
King's Cross	Regeneration Award	Awarded by: Property Week
2010		
Argent	Developer of the Year	Awarded by: Insider Property Region Awards
2009		
Construction Skills Centre	RIBA Award (London)	Awarded by: RIBA
Construction Skills Centre	Small Commercial Catagory -	Awarded by: LBC Building Quality Awards
King's Cross Central	National Skills Academy status	Awarded by: The National Skills Academy
Argent	Property Company of the Year Award-Offices	Awarded by: Estates Gazette
Argent	Regeneration Award	Awarded by: Insider Property Region Awards
Construction Skills Centre	Regeneration Award - Highly Commended	Awarded by: RICS
2007		
King's Cross	Planning Excellence	Awarded by: Mayor of London Award





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