

APPENDIX 12:
BUSINESS AUDIT



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WE MADE THAT
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PURLEY WAY MASTERPLAN
BUSINESS AUDIT REPORT | 27-03-2020

BUSINESS AUDIT

Introduction

The Purley Way Business Audit provides detailed and up-to-date quantitative and qualitative information on the local economy, its business base and physical make-up. Information collected through this survey seeks to help make sense of the Purley Way area's local economy by recording all job-generating uses across the area's diverse geographies. The evidence and analysis from this work will complement and inform the Masterplan and provide evidence to determine the direction of future policies for the area in the Local Plan.

This work makes use of a mix of qualitative and quantitative research methods to provide a careful and nuanced understanding of the Purley Way area's local economy. This study should be understood as a snapshot in time, capturing uses and premises in operation in April 2020.

Methodology

Observational research and data gathering

The audit was carried out from the month of February to April 2020. Basic businesses information was gathered using a door-to-door assessment and accompanying structured interviews. Given the typically lower level of end-user interaction, industrial-type businesses can have limited online presence and purely desk-based research is likely to miss the exact scope and breadth of businesses on site, despite these businesses being integral to the character of the area and important contributors to local economy. For this reason, on-site research was prioritised.

Every business or employment site has been mapped by a team of researchers. This includes retail, food and drink, and leisure uses, where employees are present on a regular daily basis. The following data was collected by this observational study:

- Name of business
- Address
- Number of units occupied
- Primary activity
- Type of space occupied
- Number of employees (or estimated number where unknown)

In addition to the data gathered during site visits, businesses were allocated a Standard Industrial Category (SIC) code based on its primary business activity. These codes were used, in conjunction with on-the-ground knowledge of operations to group businesses into 'business activity' categories which have been used to analyse the prevalence of different sectors across the study sites and as the basis of comparison with other industrial sites in London.

Additionally, each building within the study boundaries was assigned a building type in order to better classify and understand the built form and urban fabric that host the range of businesses across the study site as well as to identify vacancy.

Alongside this more quantitative audit, researchers carried out a number of longer interviews with

70 businesses. These interviews collected more detailed information on the number of employees, customer and supplier locations, as well as more qualitative information on individual business aspirations, detailed below.

GIS mapping & data analysis

Data gathered from the on-site surveys has been entered into a central database and analysed using GIS mapping software to build up a picture of business activities, building types, employment densities and footprint ratios across sites. Employment density was calculated using known and estimated employment numbers for every business located within the boundaries of each individual building footprint or business unit. Estimated employment numbers were based on building type, size and business activity and sense-checked through desktop research and the team knowledge of industrial businesses composition.

Detailed surveys

Alongside this quantitative data collection, detailed surveys aim to provide further information on emerging employment and workspace trends in the area and to provide more detailed insights into the type, size and activity of businesses operating across the Purley Way area. Priority was given to surveying the businesses inside the SIL designated areas and site allocations.

Definitions

This study has adopted a set of activity and workspace definitions in its working and reporting, as well as commonly adopted definitions within economic and workspace research.

Workspace building typologies

The following workspace categories have been used to define and map workspaces in the Purley Way area. These categories refer to spatial characteristics (access, scale, servicing), rather than activity. It is possible, for example, for food & drink related businesses to be recorded in re-purposed industrial spaces.

| Building type | Definition |
|--|--|
| Pre-1945 factory, depot, or warehouse | Older building stock of various forms for industrial uses |
| Post-1945 industrial building | Post-war building stock of various forms for industrial uses |
| Post-1990 industrial building | Typically single storey buildings, loading bay, with medium ceiling height (4-6m) potential internal mezzanine |
| Post 2005 industrial building | Typically double ceiling height (6-8m), loading bay, provision on ground floor |
| Retail development with car parking | Supermarkets, wholesalers and 'big-box' stores |
| Bespoke industrial or utilities premises | Building typically built for a specific activity/utilities |

| Building type | Definition |
|-------------------|--|
| Office building | Typical lower ceiling (2.9 - 4.4m), provision possible on any floor |
| Small retail unit | Typically accommodating A1 uses, on ground with street-frontage |
| Assembly space | Spaces used by groups of people for meeting and gathering |
| Yard space | Yard space used for the primary operations of a business, typically with a small or no ancillary building required |

Business activities

The following activity categories and associated SIC code grouping have been used to define and map economic sectors.

| Activity group | Example SIC codes |
|---|--|
| Manufacture: metals and machinery | 59 Manufacturing of fabricated metal products |
| Manufacture: food & drink | 107 Manufacture of bakery and farinaceous products |
| Manufacture: other | 310 Manufacture of furniture |
| Utilities | 381 Waste collection and treatment |
| Vehicle sale and repair | 452 Maintenance and repair of motor vehicles |
| Construction | 430 Specialised construction activities |
| Construction related: wholesale, hire, retail | 465 Wholesale of machinery, equipment and supplies |
| Wholesale | 464 Wholesale of household goods |
| Logistic, transport & storage | 522 Support activity for transportation |
| Creative, ICT, digital | 62x Computer programming |
| Services: education & health | 869 Human health activities |
| Services: professional | 691/692 Accounting and bookkeeping activities |

| Activity group | Example SIC codes |
|----------------------------|---|
| Services: other | 780 Employment activities and agencies |
| Retail | 475 Retail sale of household and furniture |
| Hospitality and recreation | 930 Sports activities and amusement and recreation activities |
| Faith | 949 Activities of religious organisations |
| Multi-occupancy buildings | N/A |
| Unknown | N/A |
| Vacant | N/A |

KEY FIGURES
BUSINESS AUDIT

Overview:
business sectors

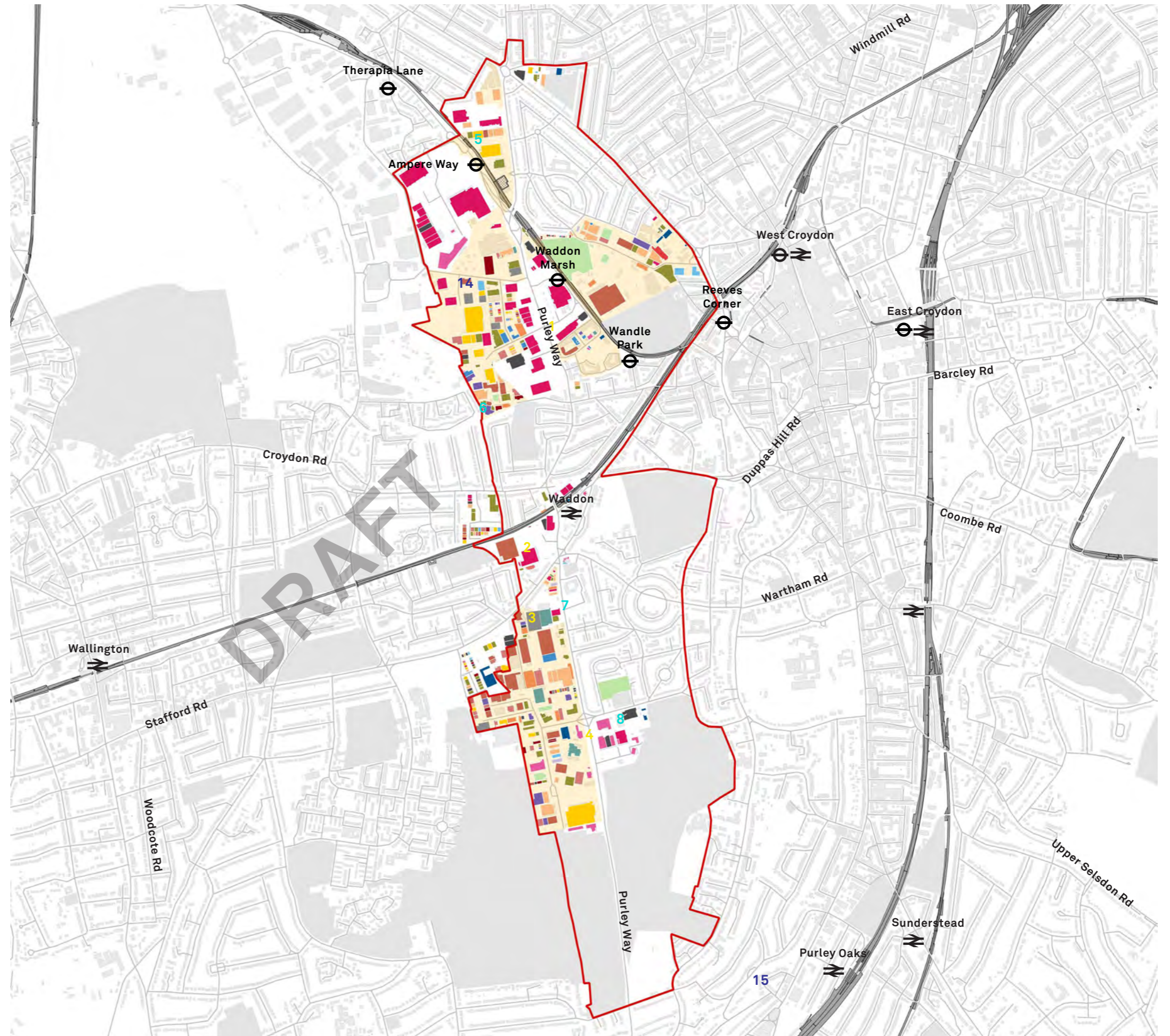
The adjacent map provides an overview of the distribution of businesses and sectors in the Purley Way area. The bespoke sector typologies developed below is based on SIC-codes and seeks to represent the variety of businesses present in the area.

KEY

Business Activity:

- Manufacture: metals machinery
- Manufacturing -food and beverage
- Manufacturing - other
- Vehicle sale & Repair
- Utilities
- Construction
- Construction related retail, hire & wholesale
- Wholesale
- Logistic, transport & storage
- Services: public, education and health
- Services: professional
- Services: other
- Creative, ICT, digital
- Retail
- Hospitality & recreation
- Faith
- Multi-occupancy buildings
- Unknown
- Vacant

- Designated SILs
- Purley Way Masterplan area



KEY FIGURES
BUSINESS AUDIT

Overview:
building types

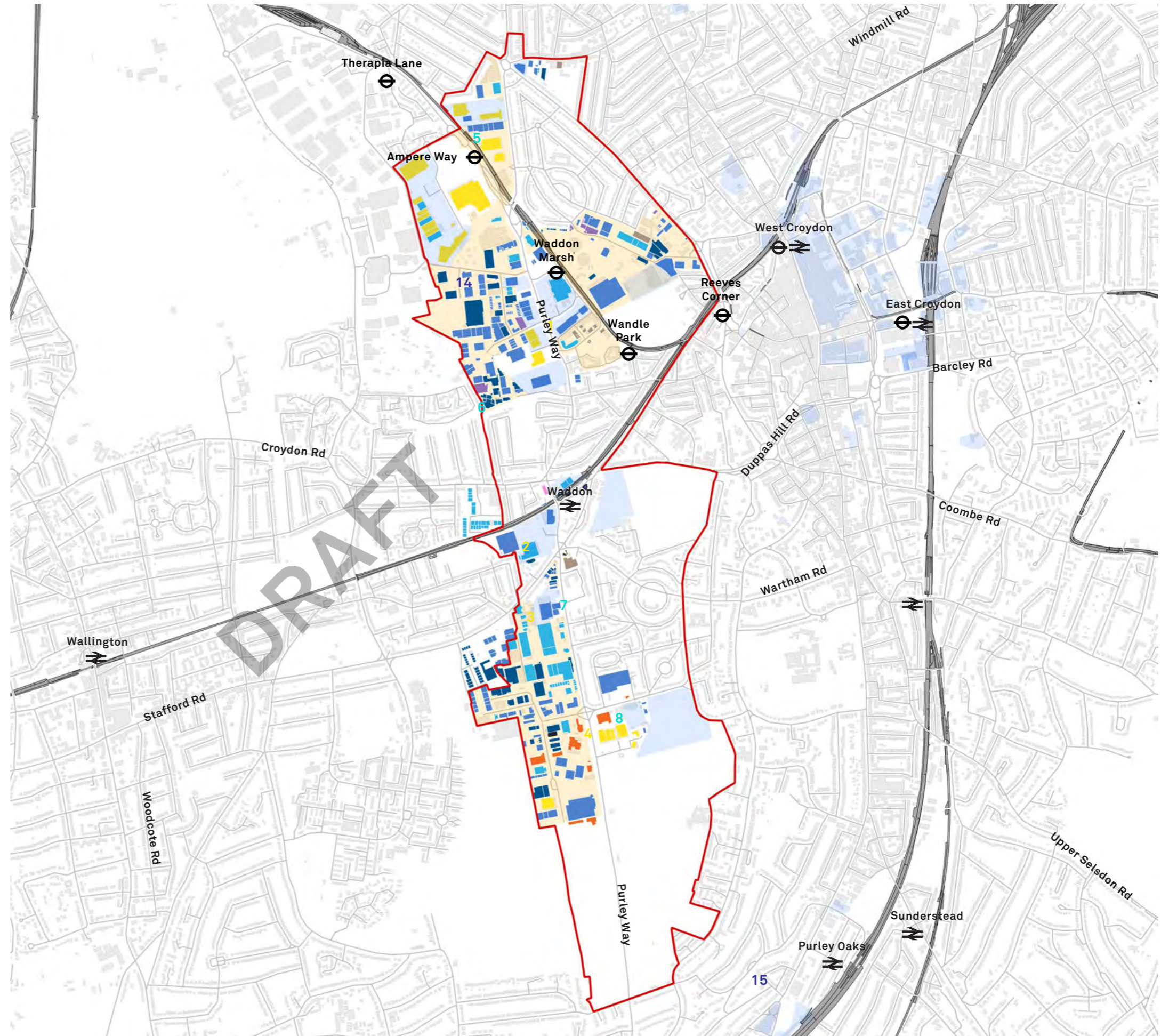
The adjacent map provides an overview of types of employment buildings present in the Purley Way area.

The division of building types into age groups shows the variation in stock within the industrial building category but also acts as a timeline allowing to identify areas of relatively recent development and investment. Considered together, industrial buildings account for 70% of the total building floorspace of the area. Post 1990 buildings mainly under the form of industrial sheds take up the highest proportion of space.

KEY

Building type

- Pre-1945 factory, depot or warehouse
- Post-1945 industrial building
- Post-1990 industrial building
- Post-2005 industrial building
- Yard space/utilities
- Office building
- Retail development with car parking
- Small retail unit
- Mixed-use development
- Assembly space
- Designated SILs
- Proposed sites
- Purley Way Masterplan area



KEY FIGURES KENSAL BUSINESS AUDIT

Overview:

Employment density

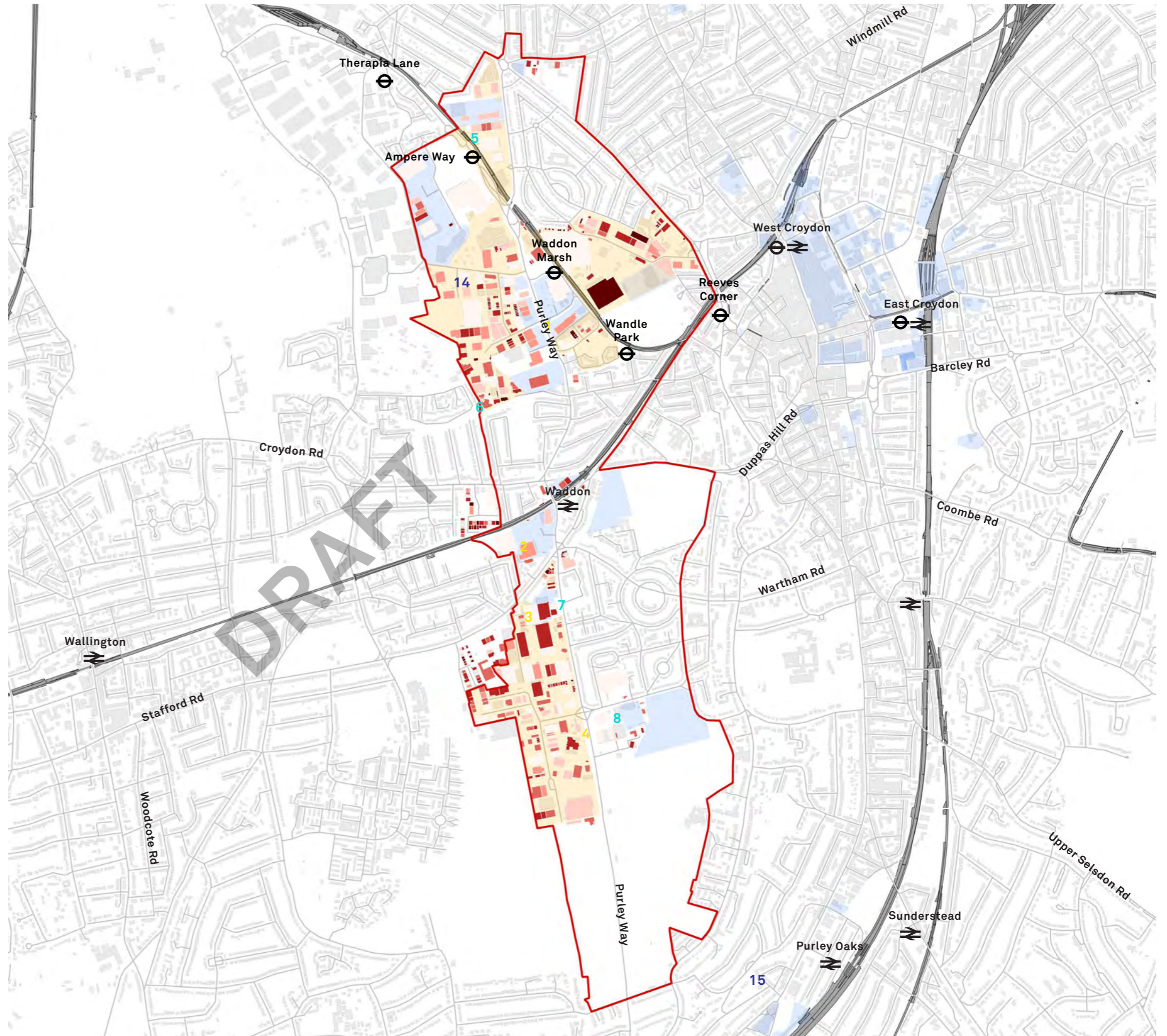
The map opposite is a geographical representation of the average employment density per individual workspace unit identified in the area. It is a measure of intensity of building use and an indicator of how much space each person occupies within the workplace.

| Building type | Average sqm/employee |
|--------------------------------------|----------------------|
| Pre-1945 factory, depot or warehouse | 100 sqm/employee |
| Post-1945 industrial building | 90 sqm/employee |
| Post-1990 industrial building | 120 sqm/employee |
| Post-2005 industrial building | 94 sqm/ employee |
| Office building | 43 sqm/ employee |
| Retail development with car parking | 150 sqm/ employee |

KEY

Employment density:

- <10 sqm /employee
- 10 - 30 sqm/employee
- 30 - 60 sqm/employee
- 60 - 90 sqm/employee
- 90 - 120 sqm/employee
- 120+ sqm/ employee
- Designated SILs
- Proposed sites
- Purley Way Masterplan



KEY FIGURES KENSAL
BUSINESS AUDIT

Overview:
Local economy

609 businesses recorded
+ 115 artists

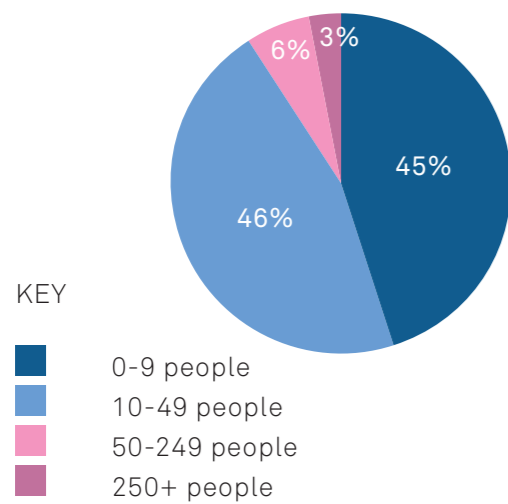
10,034 jobs recorded

758,195 sqm of employment floorspace

609 businesses have been identified as part of the employment study, together accounting for more than 10,000 jobs. The majority of businesses that make up the overall Purley Way economy are SMEs, employing between 0-9 people.

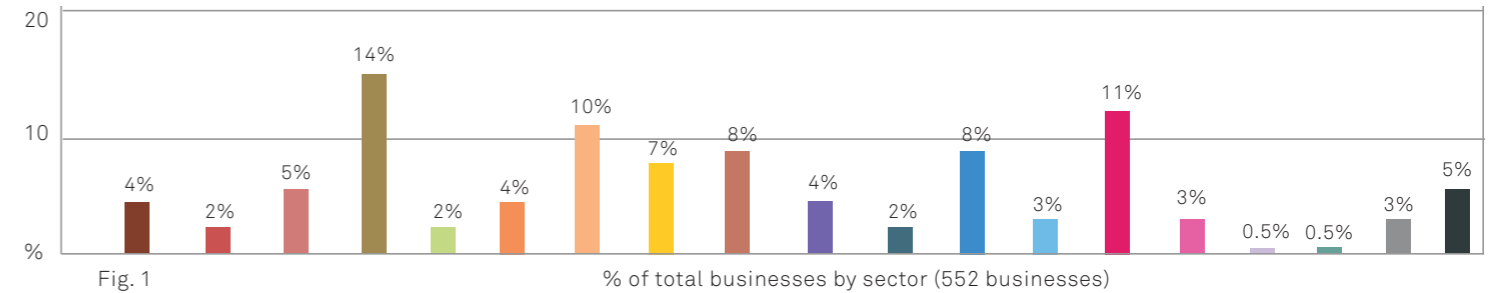
The following sections show the variety of employment size, uses and building & workspace typologies that form the overall study area. Analysis of business numbers and floorspace helps to illustrate how different sectors make use of workspace across the Purley Way area. The floorspace use of each of these sectors represents either the scale of space needed for their operations or, as with retail, the number of businesses present.

Fig 4 Business size



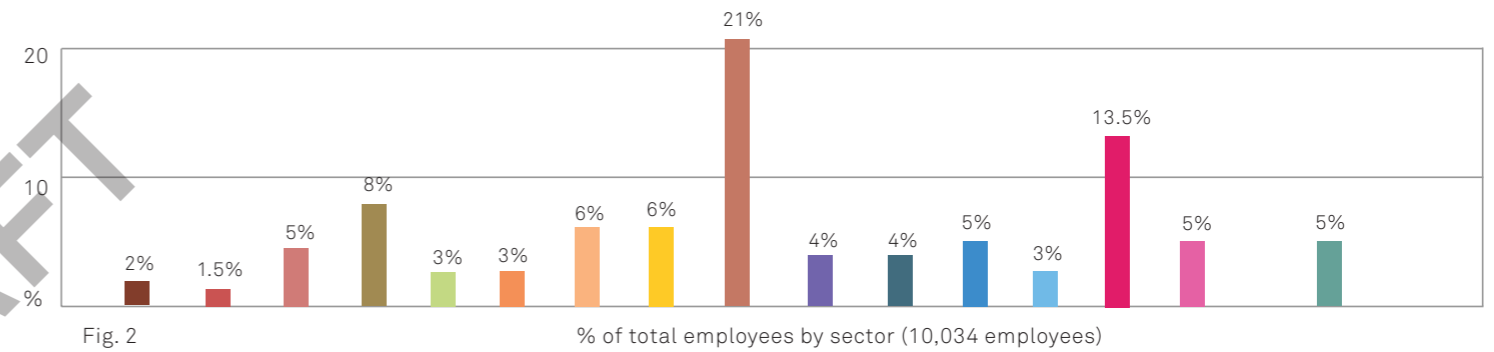
Business activity

Fig.1 identifies the distribution of businesses per activity sector. The top 3 sectors in terms of share of total businesses are vehicle related businesses (14%), retail (11%) and construction related: retail, hire and sale (10%).



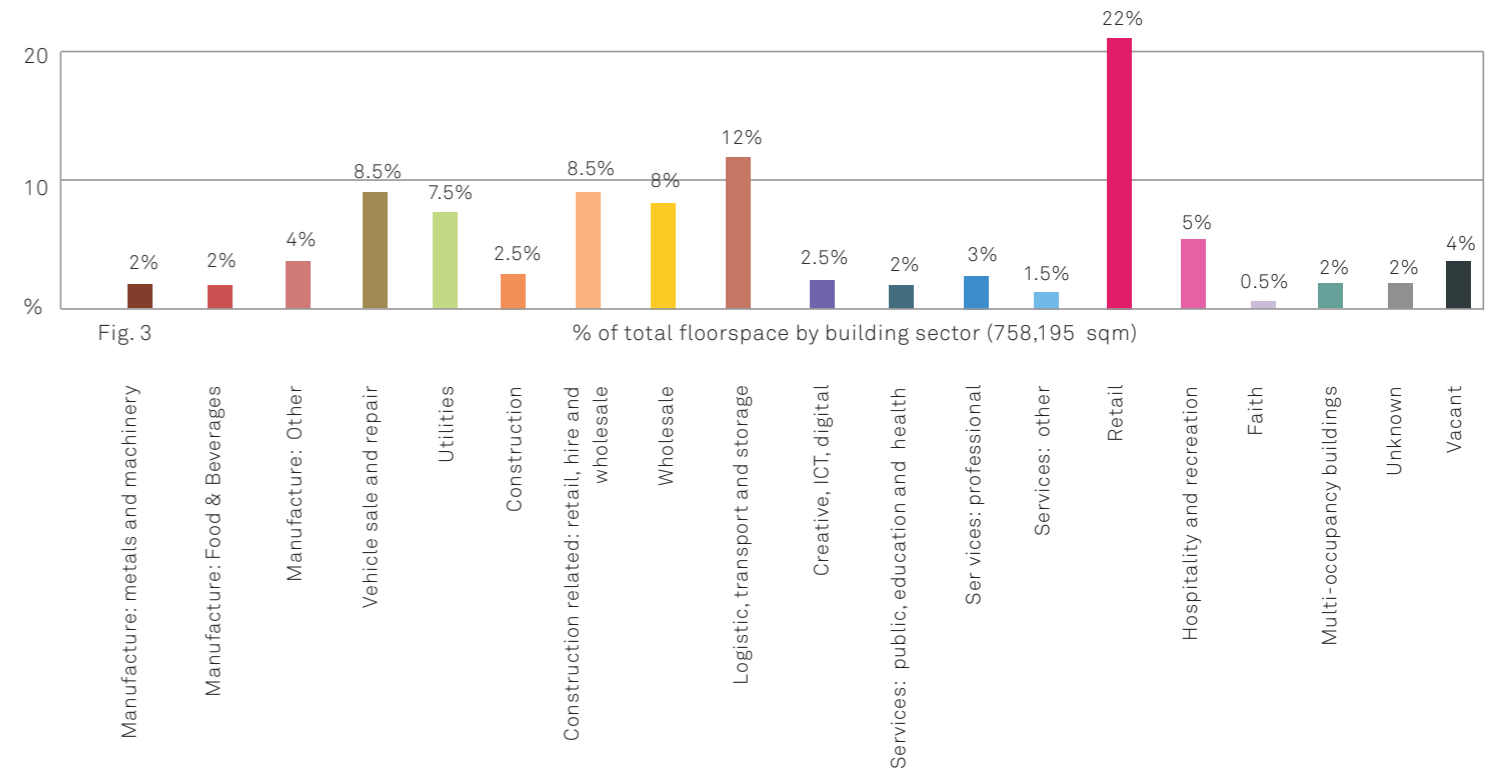
Employment by sector

When looking at share of total employment, (Fig.2) the predominance of the logistic sector (21% of employment) is partly attributed to the presence of a few large employers such as Royal Mail, Tesco (distribution centre) and Amazon. The retail sector comes second in terms of job provision (13.5%). With a few exceptions, services and manufacturing businesses have a smaller workforce.



Employment floorspace

Fig.3 looks at the employment floorspace. The on-site mapping has recorded around 758,195 sqm of employment floorspace within a range of different buildings. The retail sector occupies a large amount of the total floorspace (21%), followed by logistic, transport and storage sector. These are typically space-hungry activities. These reflects the spatial requirements of these businesses that are typically hosted in large industrial shed or retail warehouses and are typically space-hungry activities. Utilities (large operational yard spaces) and vehicle sale and repair businesses (showrooms) occupies a fair amount of the total floorspace (7.5% and 8.5% respectively).



Overview:
Local economy

Organisational structure

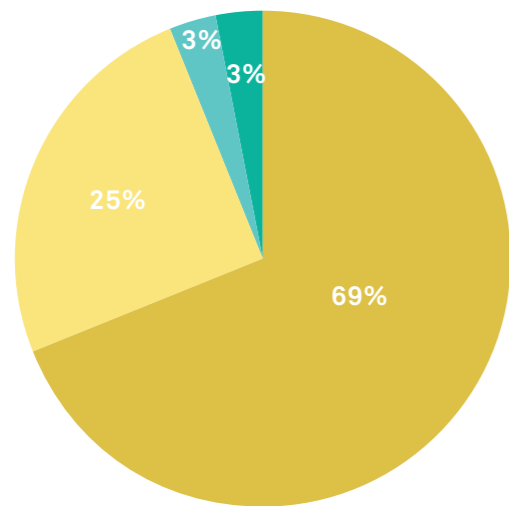
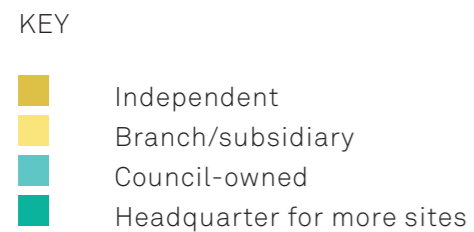


Fig 5 Organisational structure

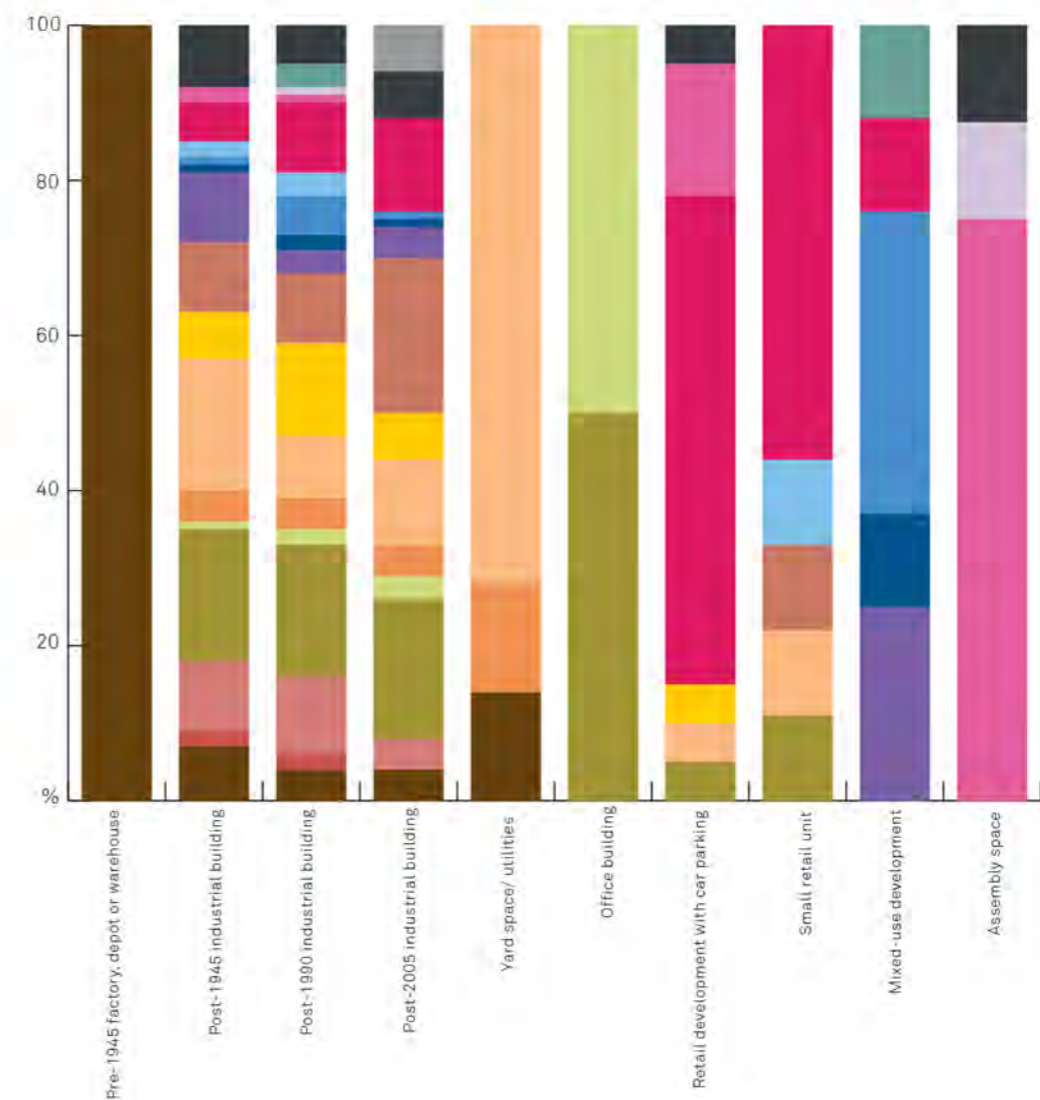
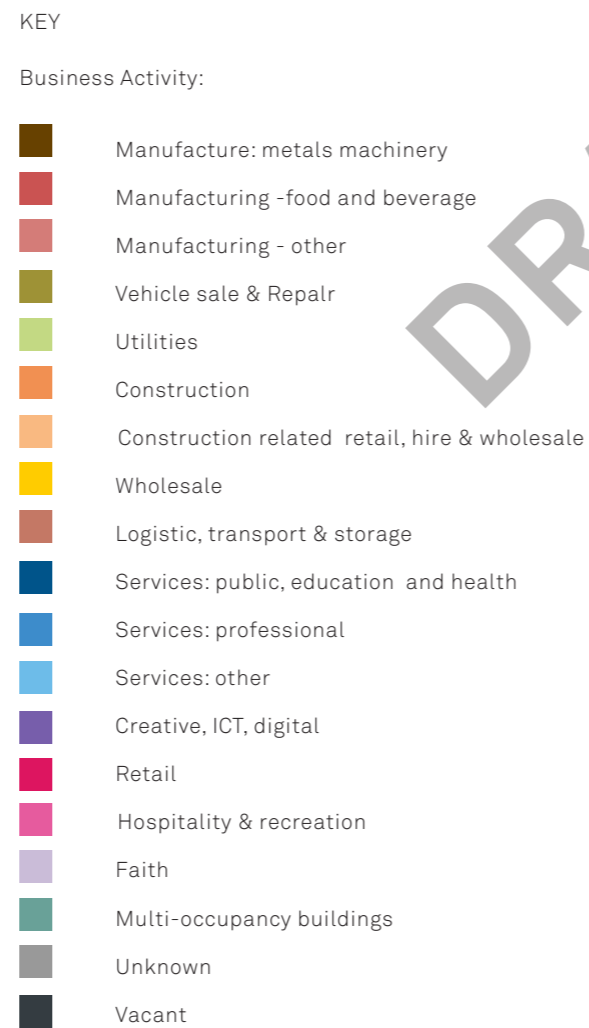
Independently-owned businesses are the most common form of organisational structure in the area, followed by businesses that are branches or subsidiaries of larger businesses. Construction, services, manufacturing and food and vehicle related businesses are most strongly represented in the 'independent' business category, while distribution, transport and storage, wholesale, utilities and construction businesses appear more likely to be part of wider commercial structures. Across these organisational structures, independent businesses are more likely to have smaller workforces (less than



10 people), while branch or subsidiary locations are more likely to be mid-scale in size (employing between 10 - 49 people). However, the Purley Way area is home to a couple of well-established and growing independent businesses that play a significant part in the overall local economy of the area, including construction and manufacturing businesses (e.g. Style Buildings, Lindab, Setwork, Dearman, Nexum Software).

Sector vs building typology

The manufacturing industry, construction related, retail and creative sectors are more prevalent in older industrial buildings than newer ones. The vehicles sales and repair sector is quite evenly split between all ages of industrial building and dominates half of the yard spaces. The wholesale and services businesses are also reasonably spread over the different building typologies. When retail businesses are housed in industrial buildings, it is mainly prevalent in newer buildings under the form of industrial sheds.

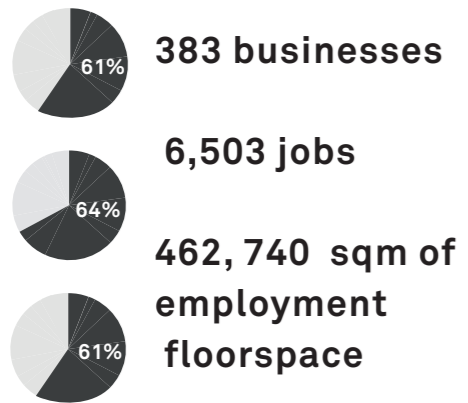


DESIGNATED SILs
ZOOM-INS



DESIGNATED SILs
ZOOM-INS

Designated SILs



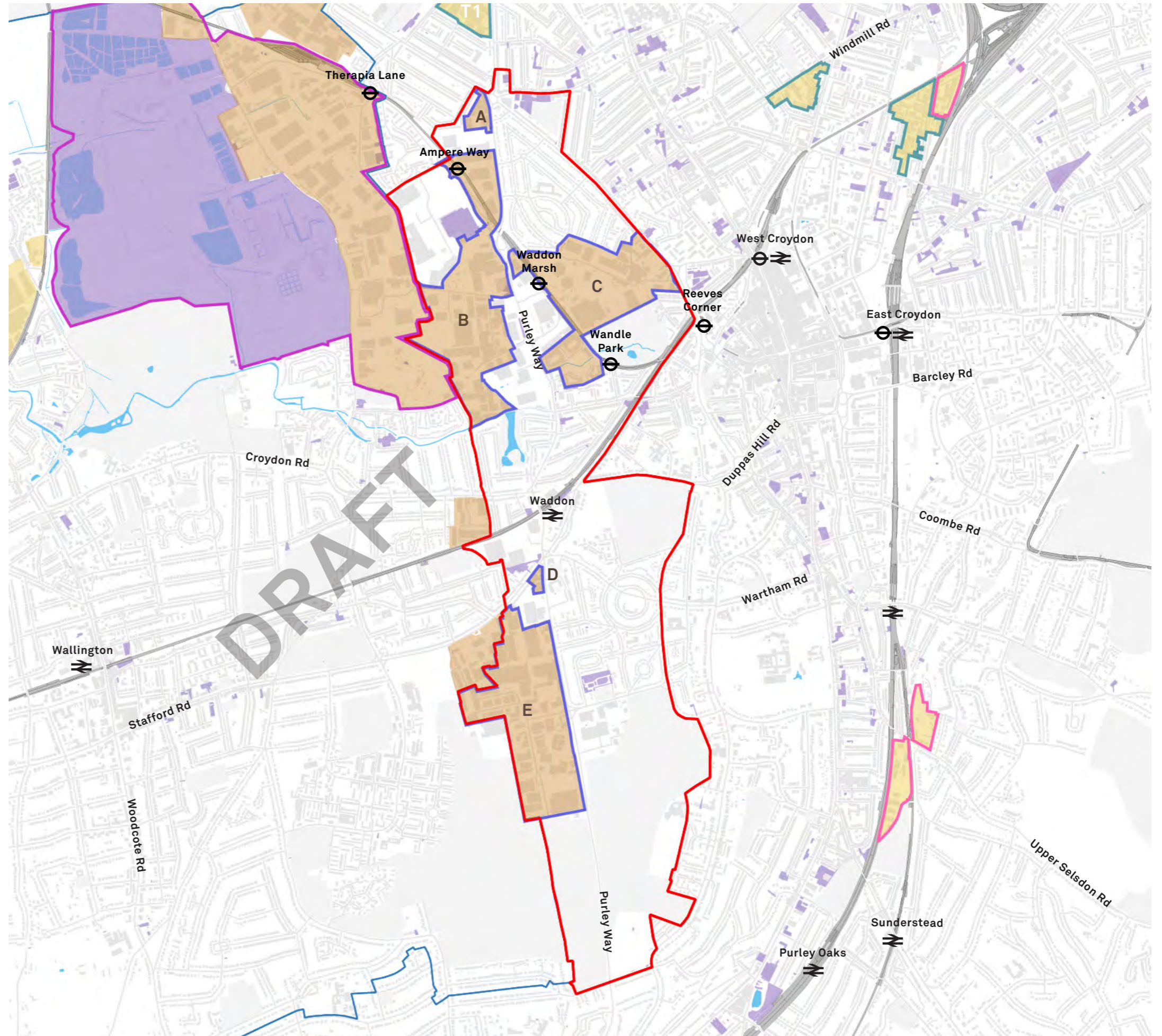
There are 5 designated SIL areas within the Purley Way Masterplan boundaries. These contains 61% of the total number of businesses and floorspace in the all area, as well as 64% of jobs.

KEY

Designated SIL

- A. North Purley Way/Lombard Roundabout
- B. Beddington Farm Road/Commerce Way
- C. Factory Lane/Whitestone Way
- D. Purley Way/Stafford Road
- E. Imperial Way

- Designated SILs
- Purley Way Masterplan



DESIGNATED SILs

ZOOM-INS

North Purley Way/
Lombard Roundabout



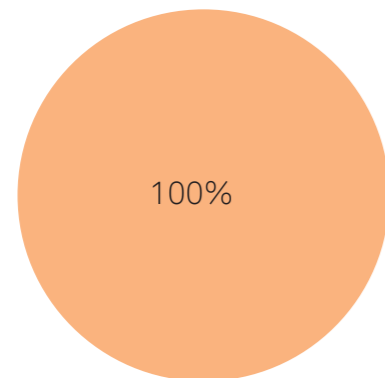
The SIL is a small area in the north of the study boundary hosting just 2 businesses. Both of these businesses, ToolStation and Screwfix, are in the construction-related retail and hire sector.

Each business occupies a post-2005 industrial shed of high quality with clear signage. They share a large car park.

The 2 businesses make up 0.4% of the total businesses in the Purley Way area, 0.7% of the total floorspace and 0.3% of employment. This demonstrates how they occupy a slightly larger than average amount of floorspace but employ a lower than average number of staff.

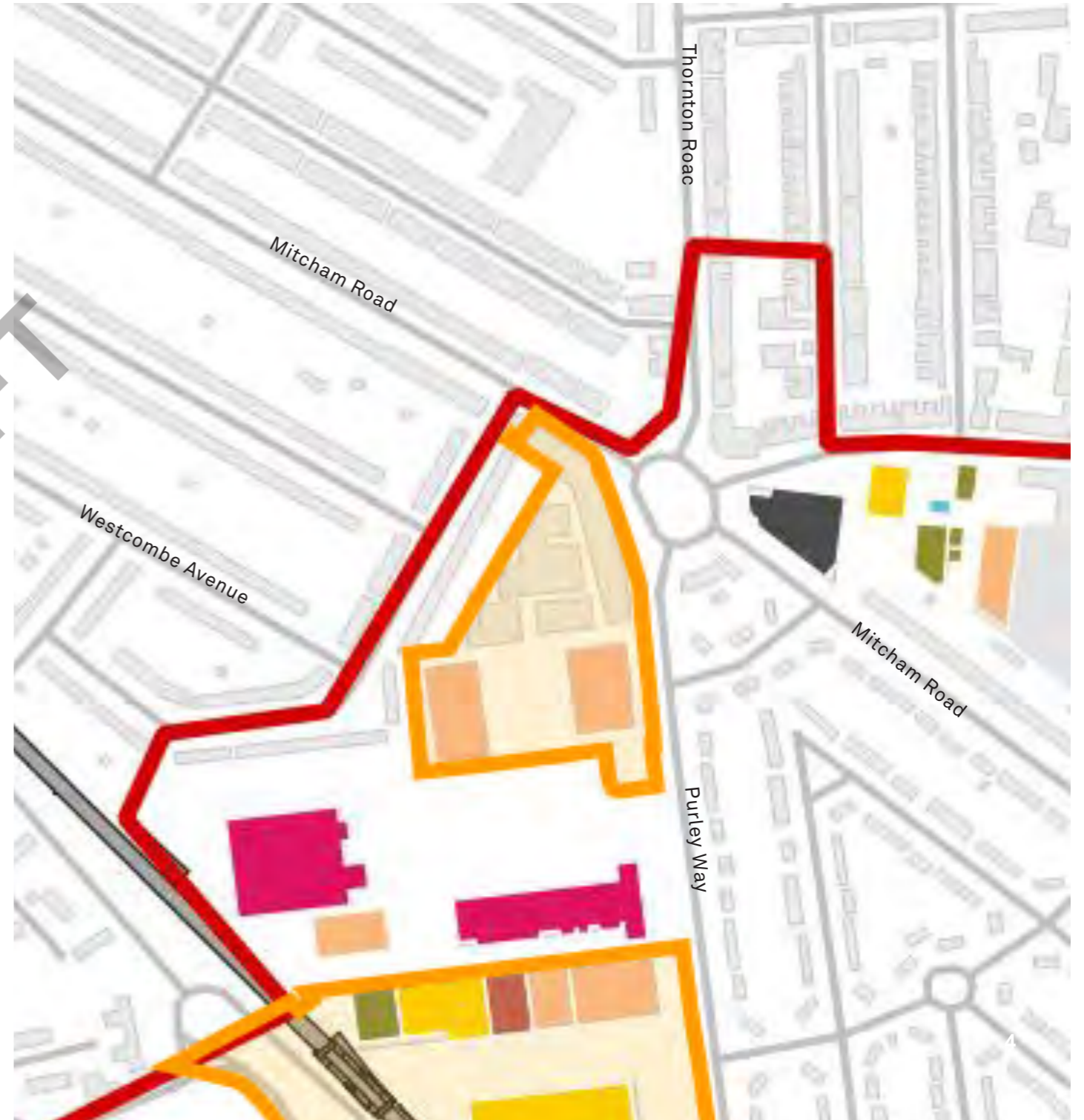
The northern part of this SIL consists of a recently completed residential development.

Activity Breakdown



Business Activity:

- Manufacture: metals/machinery
- Manufacturing: food & drink
- Manufacturing: other
- Vehicle sale & Repair
- Utilities
- Construction
- Construction related retail, hire & wholesale
- Wholesale
- Logistic, transport & storage
- Services: public, education and health
- Services: professional
- Services: other
- Creative, ICT, digital
- Retail
- Hospitality & recreation
- Faith
- Multi-occupancy buildings
- Unknown
- Vacant
- Designated SILs
- Purley Way Masterplan



DESIGNATED SILs

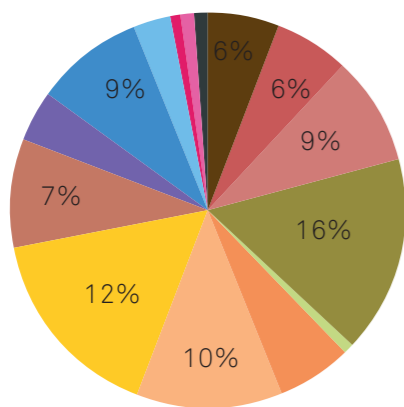
ZOOM-INS

Beddington Farm/
Commerce Way

-  **117 businesses**
-  **1784 employees**
-  **166,746 sqm of employment floorspace**

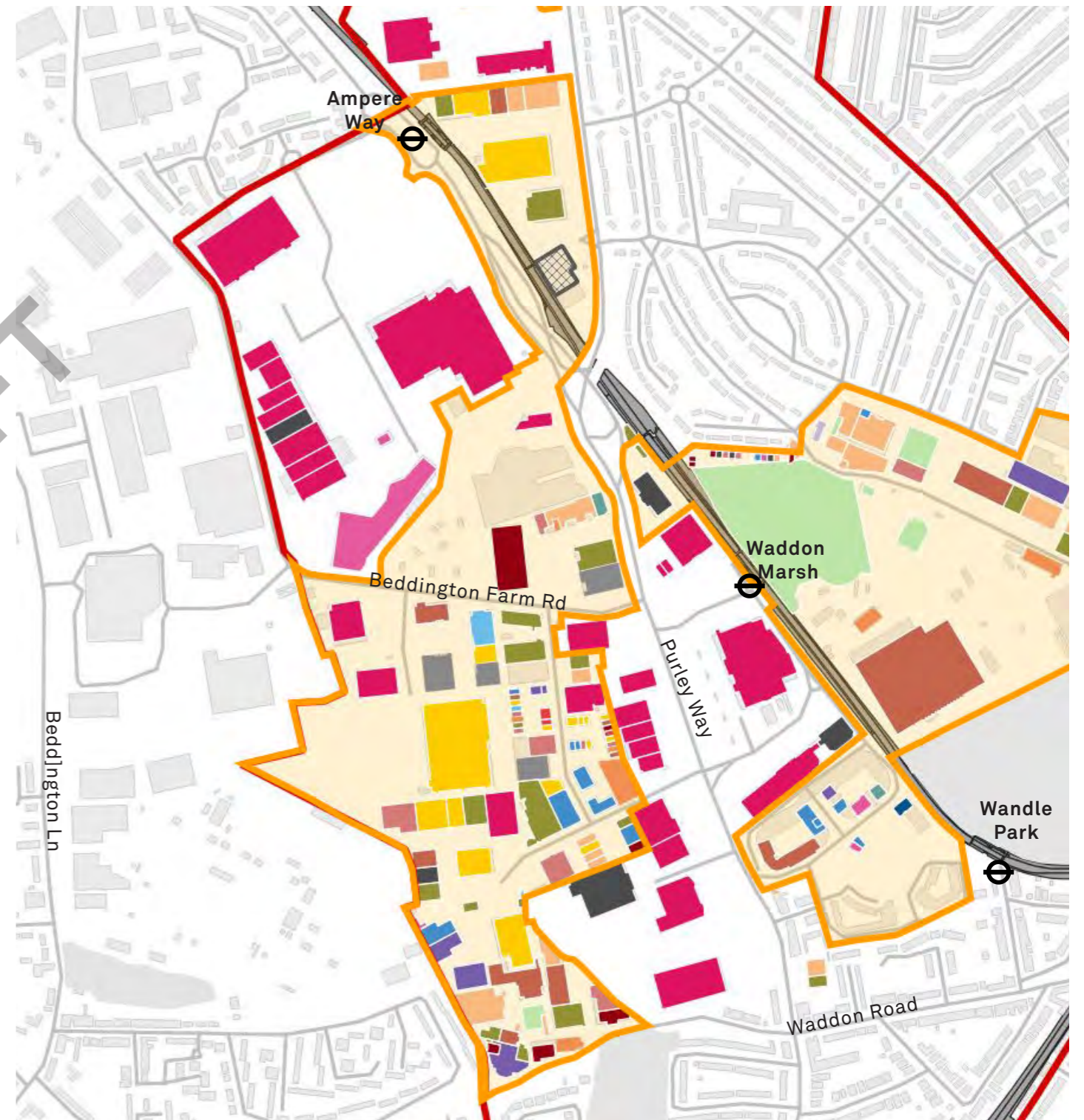
The SIL hosts 117 businesses to make up 20% of all businesses surveyed, 18% of employment and 22% of floorspace. The SIL is therefore dominated by some space-hungry businesses and businesses who employ a small workforce.

Activity Breakdown



Business Activity:

-  Manufacture: metals/machinery
-  Manufacturing: food & drink
-  Manufacturing: other
-  Vehicle sale & Repair
-  Utilities
-  Construction
-  Construction related retail, hire & wholesale
-  Wholesale
-  Logistic, transport & storage
-  Services: public, education and health
-  Services: professional
-  Services: other
-  Creative, ICT, digital
-  Retail
-  Hospitality & recreation
-  Faith
-  Multi-occupancy buildings
-  Unknown
-  Vacant
-  Designated SILs
-  Purley Way Masterplan



DESIGNATED SILs

ZOOM-INS

Beddington Farm/ Commerce Way

Business Activity

This area hosts a diverse range of business sectors, but is dominated by the manufacturing industry at 21%. The 19 manufacturing businesses, which are mostly small-scale, make up 30% of all manufacturing businesses in the Purley Way study area. Other dominant sectors in this SIL include vehicle sales and repair and wholesale.

A noted specialism for this area is the pharmaceutical and medical supply industry, with large companies including Day Lewis and smaller suppliers including Connective Pharma. The retail sector makes up just 1% of businesses in the Ampere Way SIL in comparison to 11% in the whole study area.

Workspace

The physical make-up of the area is varied, moving from a large construction site and travellers' site in the north, to large standalone warehouses in the west and finer-grain industrial estates in the south. The highest concentration of businesses is found in the south of the area where there are more multi-occupancy buildings and smaller units.

Progress Business Park is located in the east of the SIL and houses 13 businesses under high security and with clear signage. The wider stock in the area is largely of average and good quality, but some poorer stock has been noted in the Mill Lane area where the industry is dominated by vehicle repairs and construction-related retail.

Employment

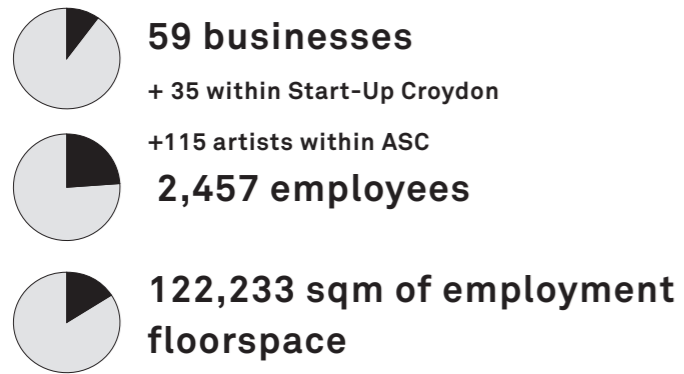
The main employers in this SIL are Day Lewis pharmaceutical suppliers, Voith manufacturers and Makro wholesale, which are all located in the north-west and housed in large standalone warehouses. The vast majority of businesses, mainly located in the southern part of the SIL, employ fewer than 10 people and tend to be independent.

There is a 1% vacancy rate in the Ampere Way SIL, which is significantly lower than the average for the whole study area.



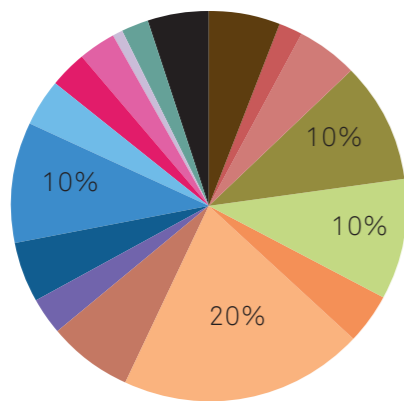
DESIGNATED SILs
ZOOM-INS

Factory Lane/
Whitestone Way

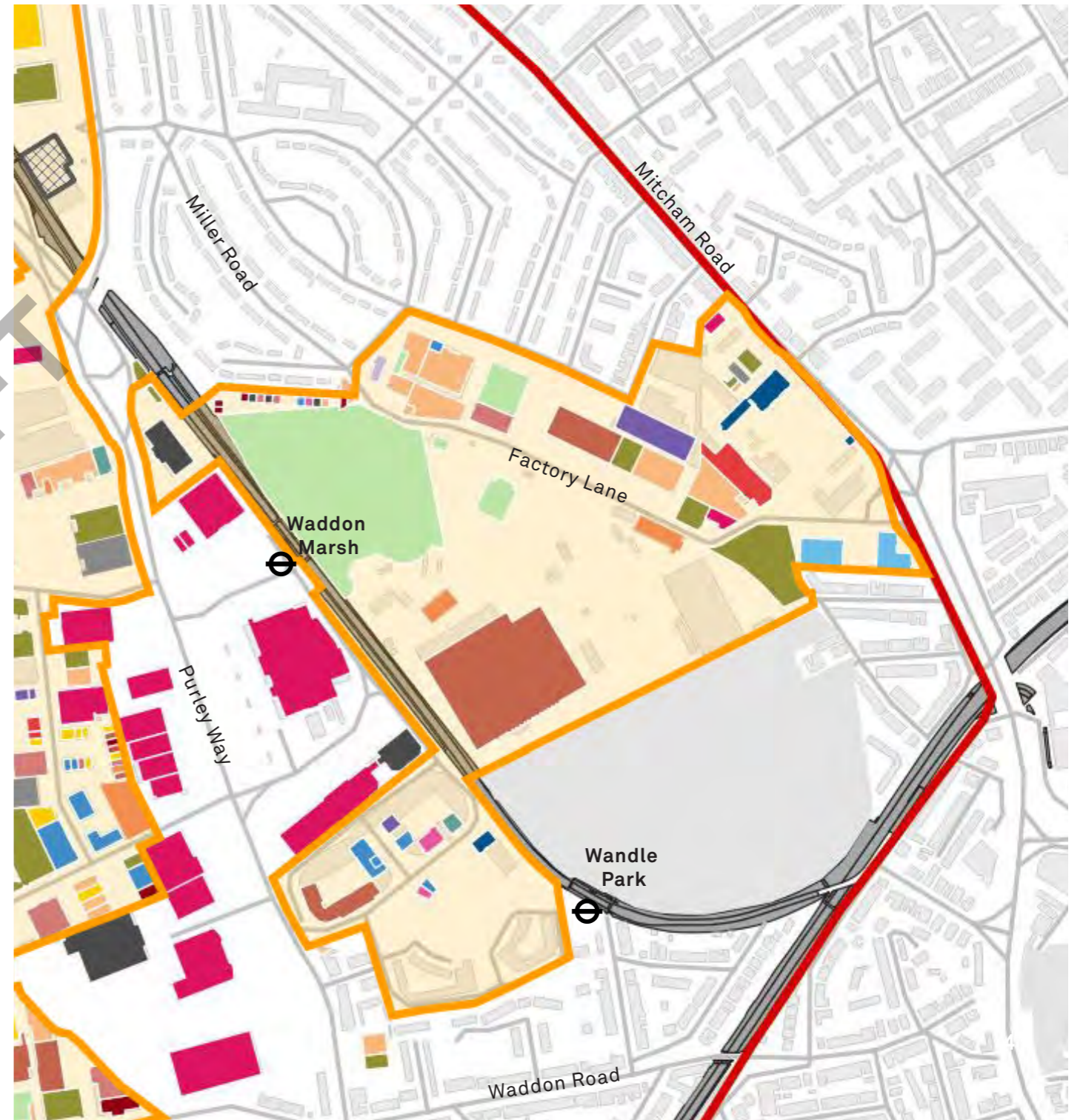


The north-eastern SIL hosts 89 businesses of varying size, clustered mainly around the Gasworks on Factory Lane. 35 of these businesses are located in Peebles Court in the south of the area as part of Start Up Croydon.

Activity Breakdown



- Business Activity:**
- Manufacture: metals/machinery
 - Manufacturing: food & drink
 - Manufacturing: other
 - Vehicle sale & Repair
 - Utilities
 - Construction
 - Construction related retail, hire & wholesale
 - Wholesale
 - Logistic, transport & storage
 - Services: public, education and health
 - Services: professional
 - Services: other
 - Creative, ICT, digital
 - Retail
 - Hospitality & recreation
 - Faith
 - Multi-occupancy buildings
 - Unknown
 - Vacant
- Designated SILs
- Purley Way Masterplan



DESIGNATED SILs

ZOOM-INS

Factory Lane/ Whitestone Way

Business Activity

This SIL hosts 10% of all businesses in the studied area, and 16% of the total floorspace. This reflects the large space requirements of businesses and high proportion of operational yard space.

While the area hosts a diverse range of sectors, construction-related retail, hire and wholesale is the dominant sector at 20% of businesses. 42% of these businesses operate in the supply and installation of scaffolding, showing a clear specialism for the area. Other dominant sectors include vehicle sale and repair and utilities. There is a noted absence of the retail sector, with just 3% of businesses operating in retail in comparison to 11% in the wider study area.

The southern part of the SIL consists of new mixed-use developments and hosts an interesting variety of sectors, mainly as a result of Start-up Croydon in Peebles Court. There is also a new residential development in the north of the SIL that provides artist workspace.

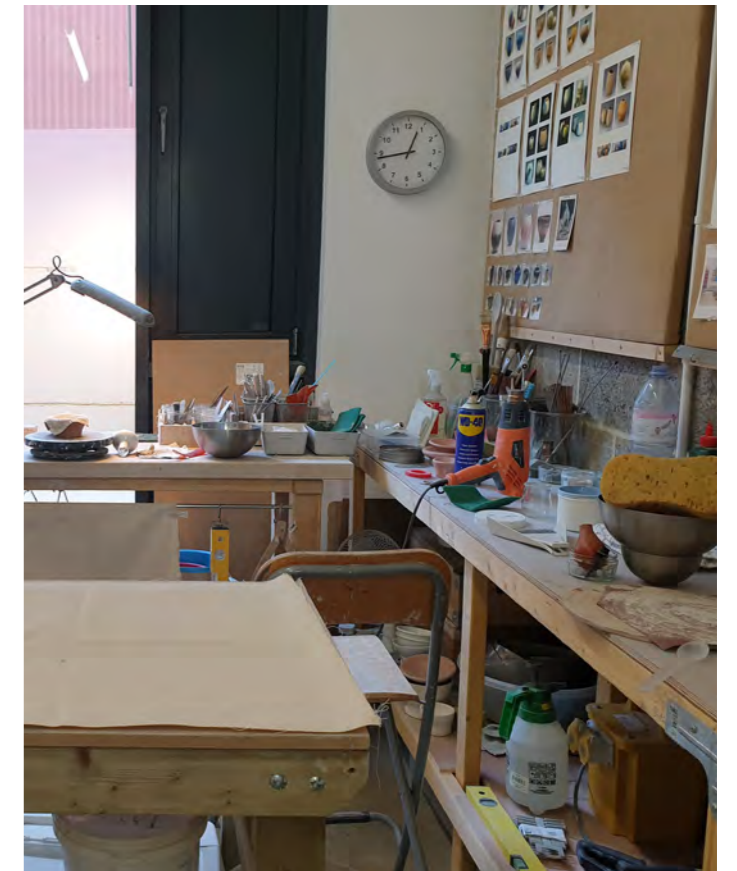
Workspace

The physical make-up of the area is characterised by a high proportion of post-1990 industrial buildings and open yard space, as expected with the strong presence of construction-related industry. The stock has all been noted as of average and particularly good quality, with clear signage and many businesses operating with high security.

Employment

The Factory Lane SIL hosts 24% of all employment in the Purley Way study area, demonstrating how the average business employs a large workforce. The main employer, and largest building, is Tesco. Other main employers include the Stubbs Mead Depot, Military Preparation college, Royal Mail depot and the power station. Although the construction sector dominates the highest proportion of businesses, the logistics sector dominates employment.

Vacancy rates in this SIL are 5%, which is average for the Purley Way area. The vacant units are located along Enterprise Close and are in all buildings over 20 years old.



DESIGNATED SILs

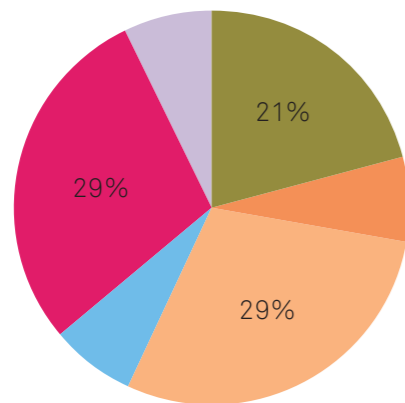
ZOOM-INS

Purley Way/
Stafford Road



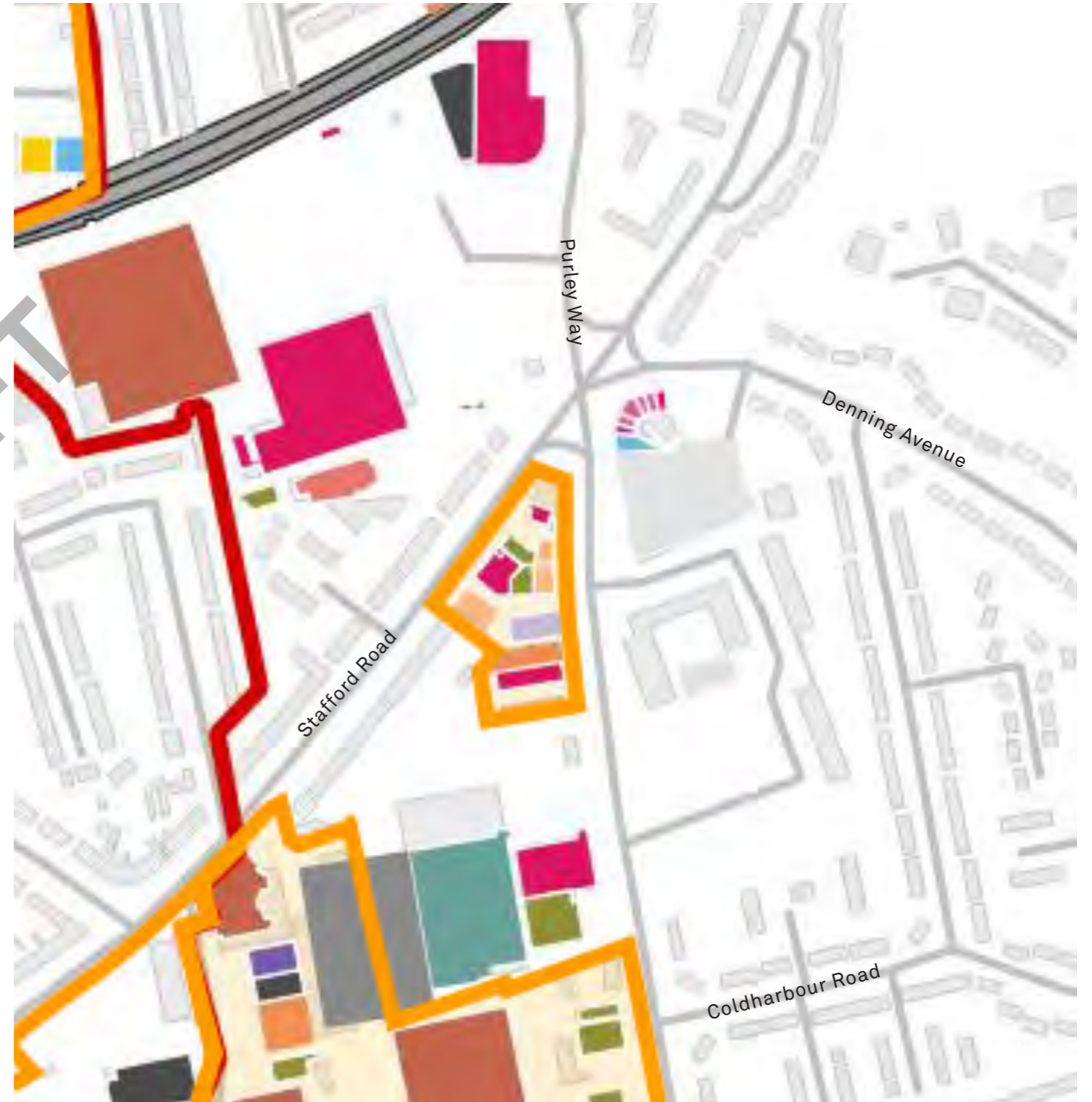
The Stafford Road SIL is a small area bounded by Stafford Road and Purley Way in the southern part of the study boundary. The area hosts 14 businesses, making up 2% of the total businesses surveyed, 1% of employees and 0.88% of floorspace. These figures demonstrate how the businesses are generally small scale and all with fewer than 50 employees. The site neighbours Waddon Leisure Centre, Wing Yip Superstore and has terraced housing to the west.

Activity Breakdown



Business Activity:

- Manufacture: metals/machinery
- Manufacturing: food & drink
- Manufacturing: other
- Vehicle sale & Repair
- Utilities
- Construction
- Construction related retail, hire & wholesale
- Wholesale
- Logistic, transport & storage
- Services: public, education and health
- Services: professional
- Services: other
- Creative, ICT, digital
- Retail
- Hospitality & recreation
- Faith
- Multi-occupancy buildings
- Unknown
- Vacant
- Designated SILs
- Purley Way Masterplan



DESIGNATED SILs

ZOOM-INS

Purley Way/
Stafford Road

Business Activity

The area is dominated by construction-related retail and more general retail, with these sectors making up 58% of businesses. The other prominent sector is vehicle sale and repair, which makes up a further 20% of businesses. The majority of these businesses are independent, with noted exceptions being Topps Tiles, Toolstation, Euro Tech and the Esso gas station on the corner of the site.

Workspace

All of the buildings are over 20 years old and mainly of an industrial-shed typology. Although generally of an average quality, some of the stock is tired-looking and potentially difficult to navigate for customers. All businesses provide off-street parking.

There is an arts and crafts-style church in the centre of the SIL which is surrounded by car parking and yard space.

Employment

The main employer in this SIL is ITC construction company, with an estimated 25 employees. This small number helps to explain why the area only makes up 1% of Purley Way employment.

There are no vacant units, which is likely to be because most buildings have desirable street-frontage onto major roads.



DESIGNATED SILs
ZOOM-INS

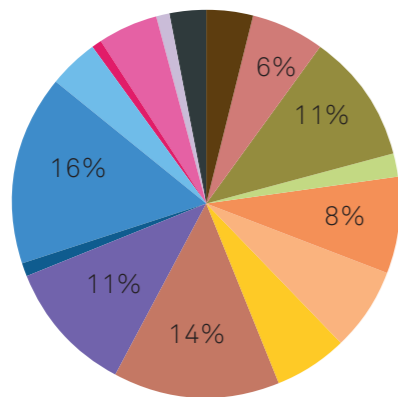
Imperial Way

-  **185 businesses**
-  **2,102 jobs**
-  **161,799 sqm of employment floorspace**





The Imperial Way SIL is the largest SIL in the area and hosts 185 businesses. This makes up 41% of all businesses in the Purley Way study area, 21% of total employment and 20% of floorspace. These figures demonstrate how the SIL is made up of small, and largely independent, businesses.

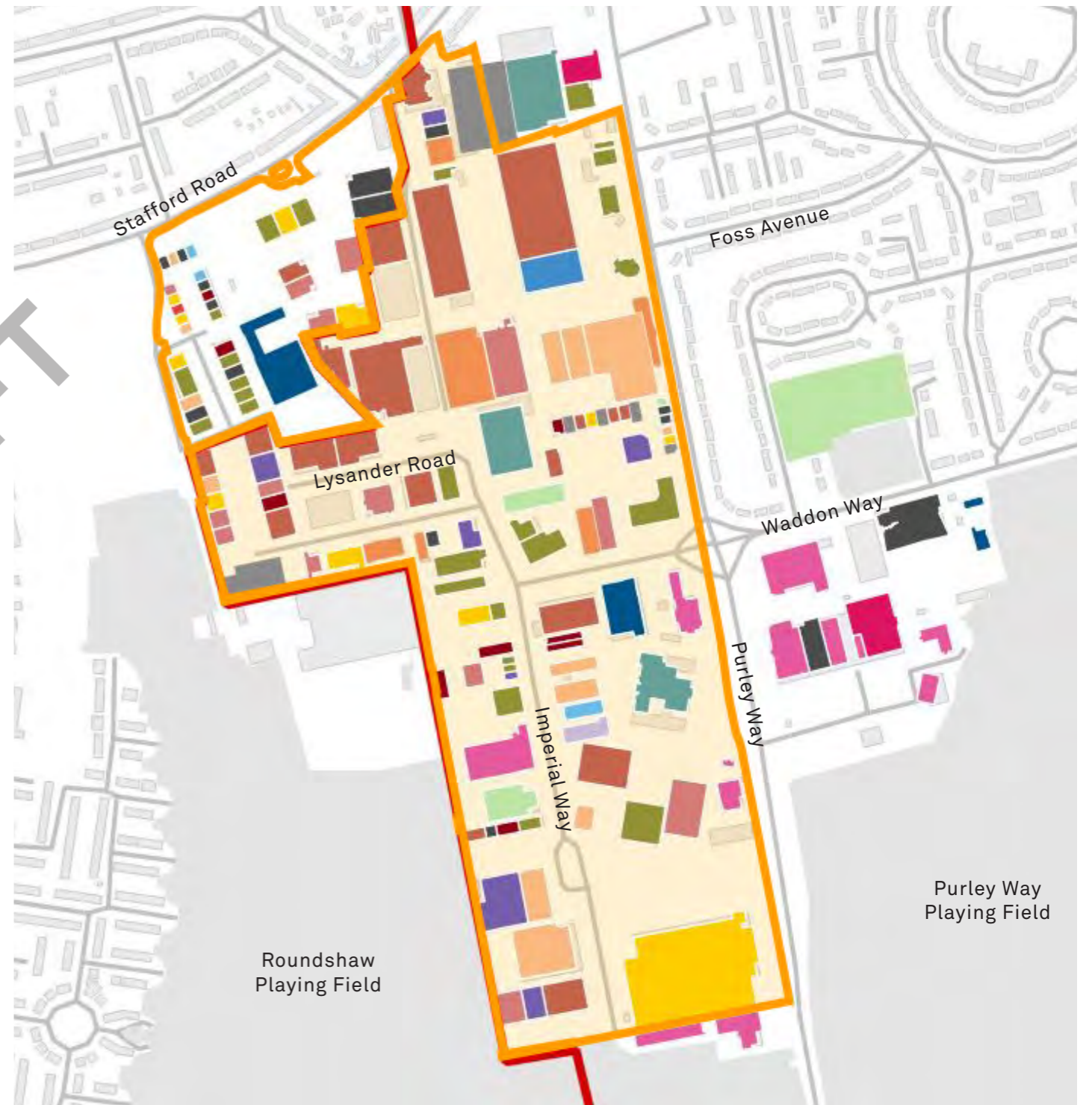
Activity Breakdown



Business Activity:

-  Manufacture: metals/machinery
-  Manufacturing: food & drink
-  Manufacturing: other
-  Vehicle sale & Repair
-  Utilities
-  Construction
-  Construction related retail, hire & wholesale
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-  Retail
-  Hospitality & recreation
-  Faith
-  Multi-occupancy buildings
-  Unknown
-  Vacant

-  Designated SILs
-  Purley Way Masterplan



DESIGNATED SILs

ZOOM-INS

Imperial Way

Business Activity

The SIL is home to a wide mix of business sectors and employment spaces, but is dominated by the professional services and logistics sectors. While professional services only make up 8% of all Purley Way businesses, they make up 16% of the Imperial Way SIL. These professional businesses vary in their specialisms but are largely located in Airport House.

There is a marked absence of the retail sector (1%) in comparison to the study area as a whole (11%). This is likely because much of the area comprises minor back streets and yard spaces. There is also a lower representation of the vehicle sale and repair sector than in the whole area, although this still holds a relatively strong presence at 11% of businesses.

In contrast, there is a strong presence of the creative sector in this SIL (11%) in comparison to the wider area (4%). These creative businesses range from set builders to recording studios, and are clustered mainly around Hawker Road and in Airport House. These 18 creative businesses make up 72% of creative businesses resident in the Purley Way study area.

Workspace

The physical make-up of the area is varied, with the northern part of the SIL characterised by more recent industrial sheds housed by the logistics sector, the west characterised by light-industrial estates and the east and south characterised by standalone warehouses. There is a higher proportion of multi-occupancy buildings in this SIL than in the area as a whole, which correlates with the strong presence of the creative industry and other independent businesses.

The most space-hungry sectors are the logistics and wholesale sectors, primarily Amazon in the north and Cosco in the south.

Employment

The main employers in this SIL are Amazon, UK Mail and the Croydon OpenReach Learning and Development Training Centre. Aside from these major companies and some other medium-scale

businesses, the vast majority of businesses in the area employ fewer than 10 people. This helps to explain the relatively small proportion of total employment in comparison to the large number of businesses.

There is a 3% vacancy rate across this SIL, which is slightly lower than the average for the whole area. Silverwing Industrial Estate, to the north-west of the SIL, holds the majority of these vacant units.





Overview:
Operations

Days of operations

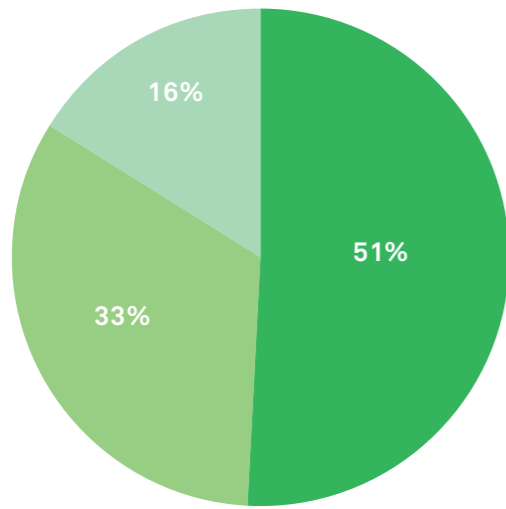
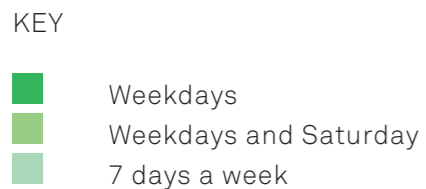


Fig. x What days are you open?

Purley Way has a similar number of the businesses operating exclusively on weekdays as those that also operate over the weekend. This correlates with the large amount of retail sector businesses that operate over the weekend. Businesses working in recycling and utilities as well as car repair and MOTs also tends to work on Saturdays.

In terms of working hours, 80% of the businesses surveyed are working standard working hours (8 or 9am - 5 or 6pm). Construction and manufacturing businesses tend to start work earlier (5 or 6am) and finish earlier (3 or 4pm). Some logistic and distribution businesses (e.g. Amazon, DPD, Tesco distribution centre) also operates 24/24h and have highlighted the crucial need of 24h access for their



Servicing

90% of the businesses surveyed do require some form of servicing provision as part of their core operations. This includes yard space, loading bays and goods lifts. These particular spatial requirements should be considered in tandem with typically reported operating hours and days which highlight that some businesses, such as logistic and distribution, utilities or vehicle sale & repair businesses, tend to operate on six days a week, and that some services, retail and leisure uses operate every day of the week. These operational requirements should inform the planning and design solution for mixing these sectors with other uses.

52% of the businesses interviewed are being serviced everyday and 19% of the businesses are being serviced multiple times a day. The latter mainly concerns businesses working in construction and construction material supply as well as large wholesale companies and distribution centres. Car-related businesses, including MOT and auto equipment supply are typically serviced on a weekly basis, along with small wholesale and retail businesses. Small scale manufacturing and services businesses are being serviced less regularly.

The mapping have revealed that 80% of the premises in the Purley Way area have an off-street space which can be used for servicing or storage purpose. This has been confirmed by the findings from the detailed survey showing that 84% of the businesses surveyed are reporting being serviced off-street. Overall, very few businesses have reported lack of operational yard spaces or servicing to be an issue.

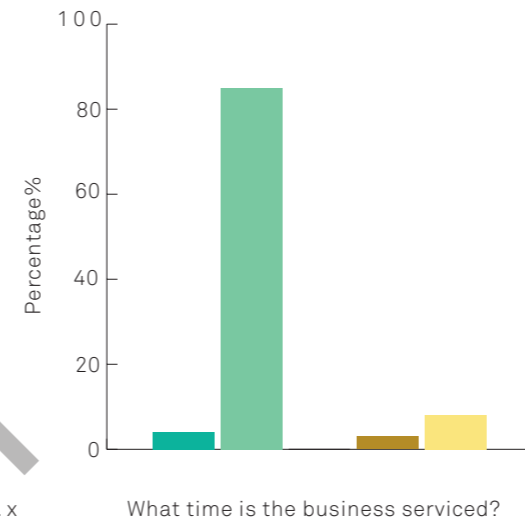


Fig. x What time is the business serviced?

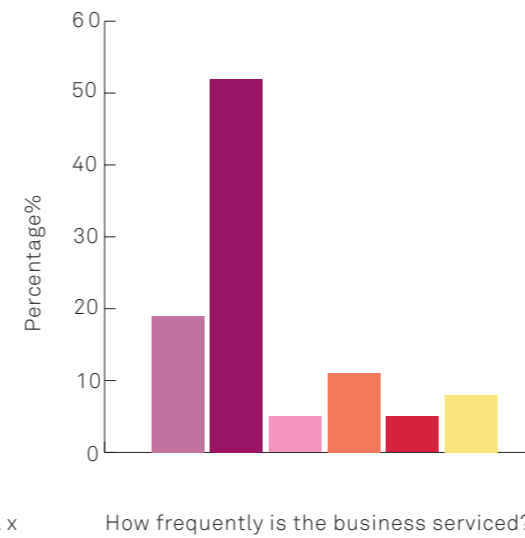


Fig. x How frequently is the business serviced?

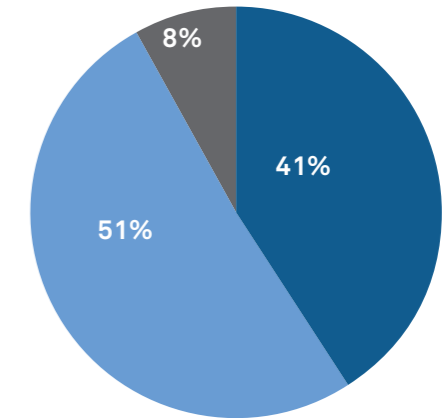


Fig. x What type of vehicle services the business?

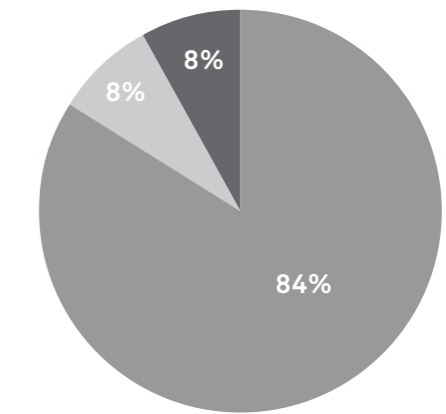


Fig. x Is the business serviced on-street or off-street?



Overview:
geographies of operation

Locality of employees

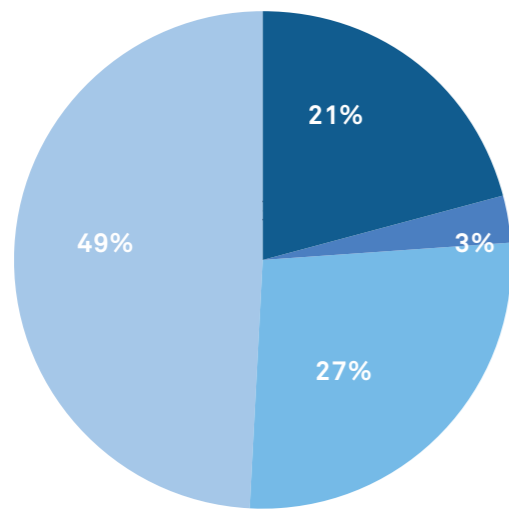
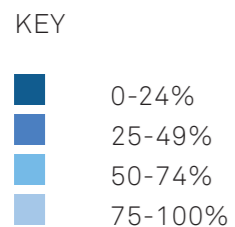


Fig. X What percentage of employees live locally?

Interviewed businesses report a strong local employment base - with a 56% local workforce reported on average across all sector groups. 'Local' should be understood as Croydon or its neighbouring borough: Sutton. Sectors with the highest reported local workforce (80%+) include construction, vehicle sale and repair, manufacture of food and drink as well as retail trade & hospitality sectors. Professional services, transport and storage, creative, IT and digital as well as highly specialised manufacturing are the most common business activity reporting less local workforce. These findings highlights that Purley Way has a large catchment area and offers employment both for local people and beyond the local, suggesting that the economic activities are worse travelling for.



Suppliers & customers

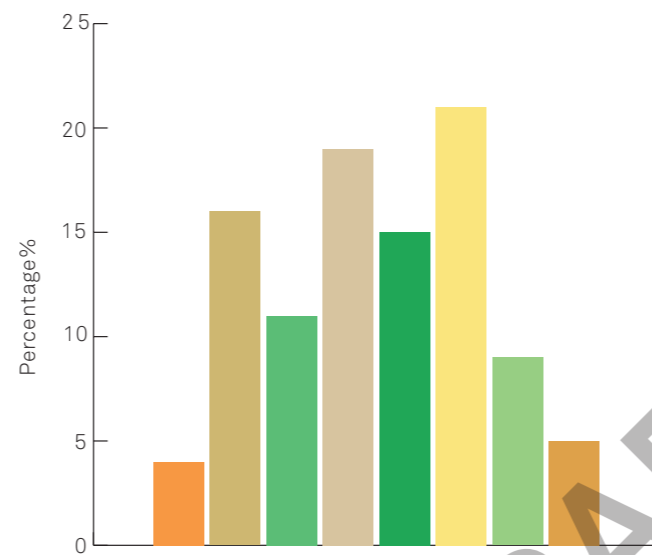


Fig. X Where are the majority of customers based?

The Purley Way business base is one that serves London and particularly Central and South London. Overall, the majority of the customer base live within the Greater London area, with a large proportion in Central London. The majority of London-based customers are related to the service and construction businesses. 21% of the customer base is located across the rest of the UK, but this is still mostly in the south and south-east of England.

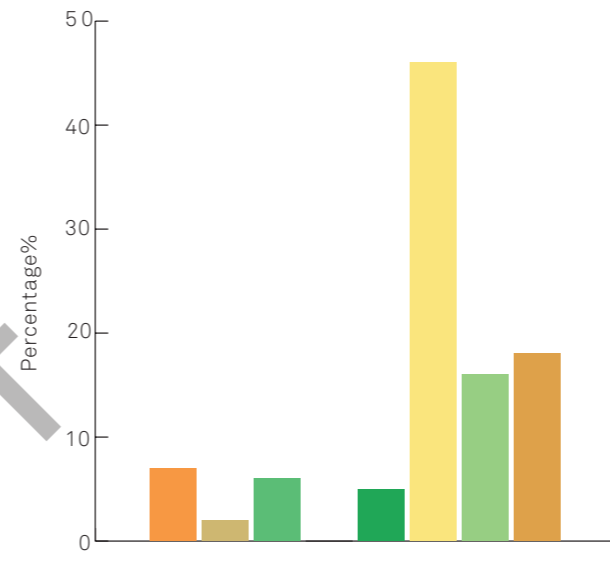
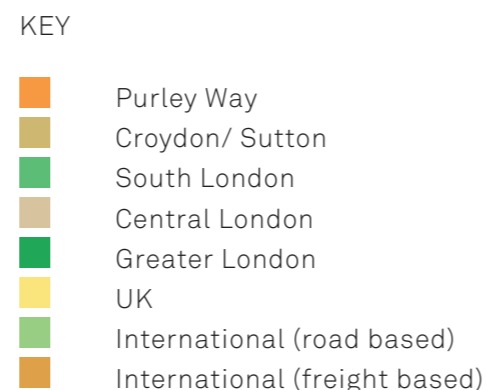


Fig. X Where are the majority of suppliers based?

UK-based and international suppliers play an important role for 75% of the businesses, This highlights the Purley Way's transport links and accessibility to road and freight infrastructures as a key asset for the majority of its business base. Those that use freight include wholesale businesses, specialised engineering/manufacturing businesses (manufacturing of dental equipment, silk printing screen, motors, radio broadcast equipment manufacturers).

For small and independent businesses, the majority of suppliers are located across the UK. Overall very few businesses have reported using local suppliers. The few that does work in the car repair, small-scale manufacturing and recycling sectors.

Local links

If there is no clear evidence of strong supply chains within the Purley way, a few businesses have reported links with others.

Construction businesses report links with local trade counters and other construction supply companies, and vehicle sale & repair businesses report to trade customers in the area and carry out maintenance on the vehicles of neighbouring businesses. These 2 sectors seem to form clear clusters. If other cluster of specialist activities have been identified, no formal links/evidence of supply chain have been recorded (ex. Pharmaceutical/medical related businesses)

Overview:
Transport & circulation

Travel to work

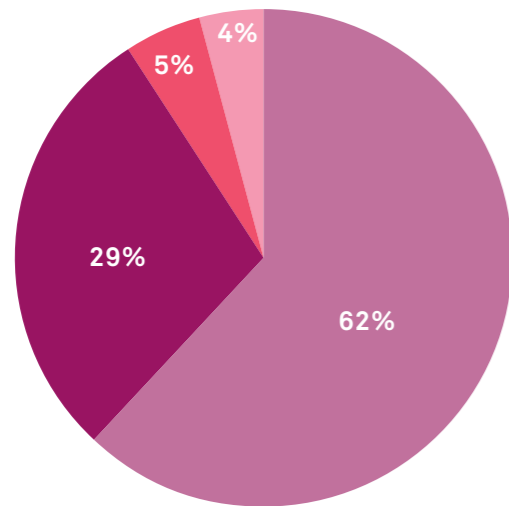
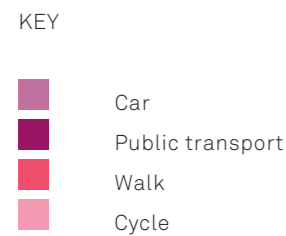


Fig. x How do your employees travel to work?

The majority of employees in the Purley Way area travel to work by car. Very few employees walk or cycle. There is a correlation between those who use public transport and those who live locally, with those living further away depending on car travel. The use of public transport is split between tram, train and bus, with the tram being the most popular.



Public Transport

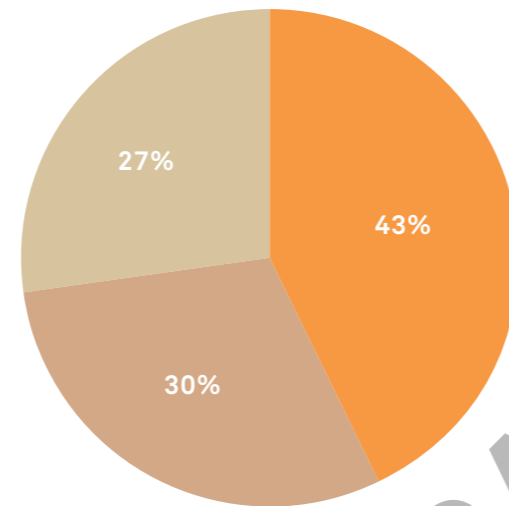
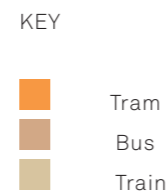


Fig. x What forms of public transport do employees use?

Most of the businesses have reported that the tram has been very beneficial for fast link to central Croydon and London, however that heavy traffic along Purley Way makes the area unappealing for residents and employees as well as brings difficulty with deliveries. Poor walking and cycling infrastructures have also been reported, especially to the north part of the area and for crossing the Purley Way.



Overview:
Recruiting

Recruitment

Recruiting experiences vary across businesses, but typically those working in more industrial sectors tend to report more difficulty in finding staff suitable to their businesses. Businesses operating in manufacturing sectors report an equal mix of recruitment ease and difficulties, typically determined by the degree of specialist machinery involved in production processes. Food & drink manufacturing as well as wholesale and retail businesses generally report an ease in recruitment in the area, reporting that most unskilled positions are easy to fill and that people move between businesses. However, some businesses in the wholesale and retail sectors, do report difficulties in finding experienced staff members to fill management positions. Metal manufacturers report an overall difficulty in recruiting suitable staff given the skill requirements of the industry. Construction, logistic and storage businesses report using recruitment services and labour supply businesses, so have little direct experience of recruitment. Overall, service businesses report an ease of finding staff given the Purley Way's area's accessibility to central London, although some do report running graduate and training to meet the needs of their particular businesses.

Overview:

Needs & perceptions

What are your main reasons for being located in Purley Way?

- Ability to buy properties
- Rent levels
- Off-street parking
- Not far from home for employees
- Close to customers
- Close to suppliers
- Good access to London and to Croydon
- Space for delivery
- Good transport links

Businesses are most positive about the high connectivity of the Purley Way area, with most individuals mentioning the benefits of living nearby to work and being close to their main suppliers and customers. This was especially the case with small and independent businesses.

Other significant positives for businesses in the area are the rent levels and ability to buy properties in comparison to other areas in London.

What are the main challenges/ barriers you are facing in this area?

- Traffic and poor road quality
- Business rates
- Low footfall
- Competition
- Potentially having to move out
- Rent increase
- Brexit uncertainty
- Finding trained staff

The most-mentioned challenge for businesses around the Purley Way was heavy traffic and poor road quality. Many mentioned that this makes travel difficult for employees and discourages potential customers from the area or from turning off the road. The majority of businesses who see this as an issue are small and independent.

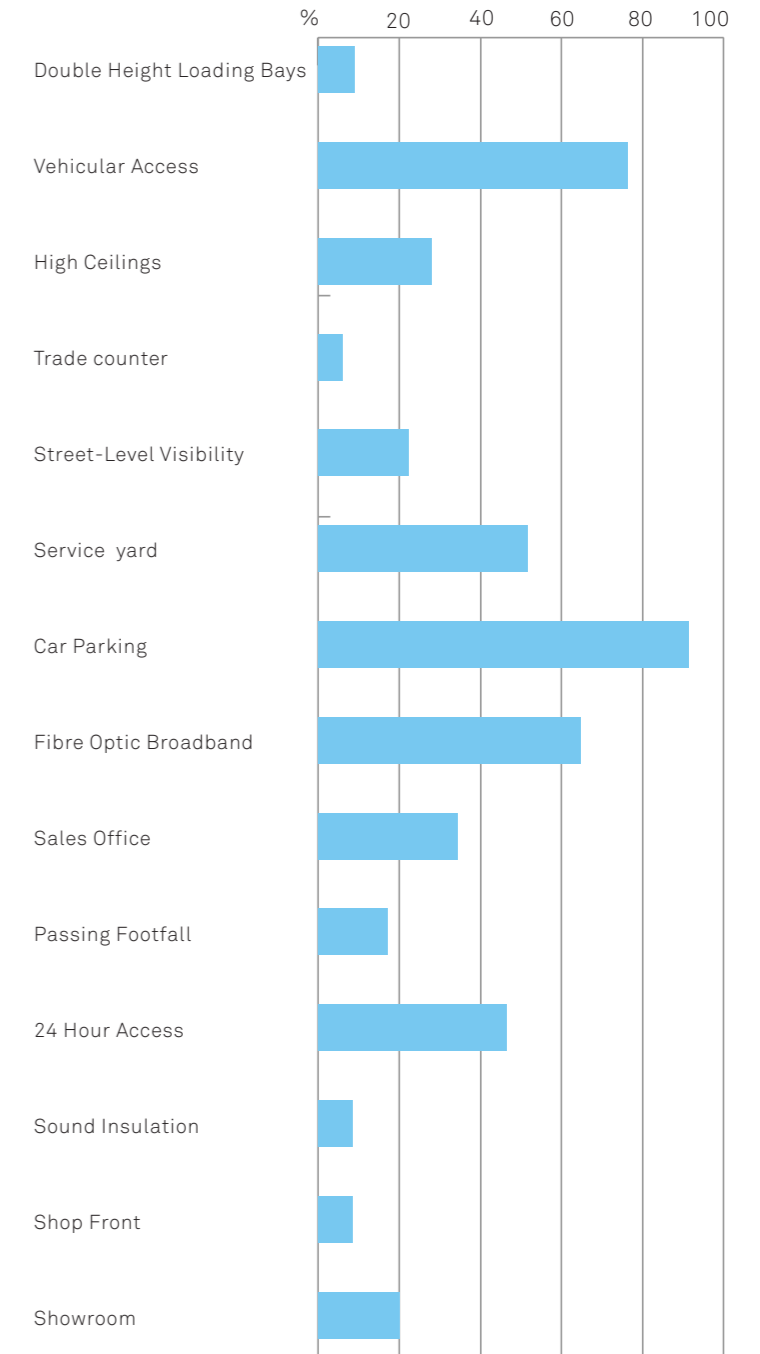
Other challenges include a low footfall and difficult business rates, and the sense of uncertainty in the future of the area. Again, these challenges were mentioned by smaller businesses.

What could be improved in the area that would be beneficial to your business?

- Traffic
- Secure tenure length
- More amenities such as a café
- Links with construction college
- More parking
- Cooperation local businesses in Council masterplan
- Access to sites and clarity of road etc.

As expected with the main challenges mentioned, the main improvements mentioned were the levels of traffic on the Purley Way, the clarity of road signage and access to business sites. A few individuals mentioned wanting a greater community bond through more cafes and places to eat.

Workspace features



The future

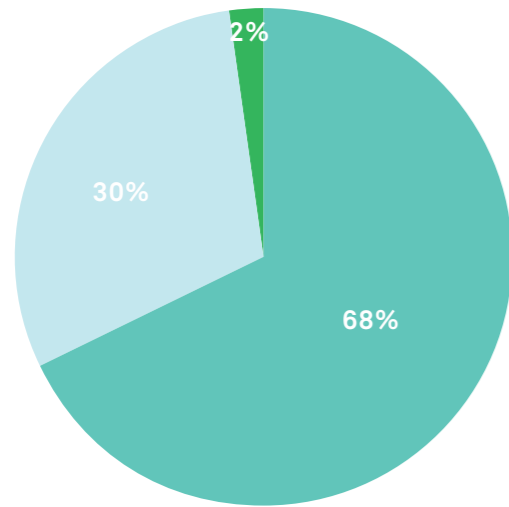


Fig. x How do you anticipate your number of employees will change over the next 2-10 years?

Across the businesses interviewed, the majority of businesses expect business to grow marginally or to remain the same within the next year. Demand for staff within the coming year is the priority for more businesses than the demand for more workspace, with 68% of businesses expecting to need more staff within the coming year, in comparison to only 35% of businesses expecting to need more space.

Businesses expecting to need more staff and space within the coming year include those working in food & drink (e.g catering businesses), other manufacturing sectors as well as those working in the creative industries (e.g. set making, Software development, gaming) and the distribution sector (shipping activity mainly). It is noted that there is a correlation between newly installed businesses in the Purley Way area and anticipated growth as most of the businesses interviewed that have moved recently in the area are expecting their needs in term of space and staff to increase.

Only a small number of businesses are expecting their staff and space needs to decrease in the coming year. This is the case for some vehicle sale and repair businesses as well as a few material wholesale businesses.

Of businesses who are expecting their staffing needs to increase in the next year, most are expecting their workspace requirements to increase slightly as well - suggesting that business will need to look for additional space or re-configure existing premises to accommodate more staff. Some of these businesses report a desire to stay in the Purley Way area, but none have reported securing new workspace in the area.

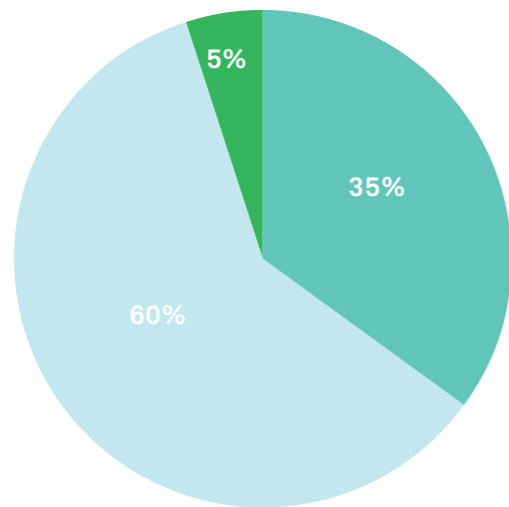


Fig. x How do you anticipate your space requirement will change over the next 2-10 years?

KEY

- Increase slightly
- Remain the same
- Decrease slightly

KEY FINDINGS

Comparative analysis & specialisms



Purley Way is home of a large amount of businesses supporting the construction industries from construction services, equipment hire, material supply to builders and waste management.



There is a number of medical and pharmaceutical manufacturers and suppliers in the area, including Day Lewis, Connective Pharma, The Health Counter.



The Purley Way area's strong heritage of motor and automobile manufacturing and related activities is still present, representing 11% of the employment.



While particularly clustered to the north of the area, large retail warehouses can be found throughout the all area and are targeting both professionals and non-professional customers.

In order to understand the composition and strategic role of the study site in relation to London, it is useful to compare Purley Way with other well-known industrial clusters located within the Greater London Area: Thames Road/River Road (TR/RR - LB Barking & Dagenham), Thamesmead (TM - LB Greenwich/

Bexley), Surrey Canal Road & New Cross Gate (NXG - LB Lewisham), Old Kent Road (OKR - LB Southwark) and Charlton Riverside (CR - LB Greenwich).

| Sectors | Industrial cluster | | | | | | | | | | | |
|-------------------------------|---------------------------------|--------------|-----------|------------|------------|-----------|--------------------------------|--------------|-----------|------------|------------|-----------|
| | PW (2020) | TR/RR (2020) | TM (2019) | NXG (2018) | OKR (2019) | CR (2017) | PW (2020) | TR/RR (2020) | TM (2019) | NXG (2018) | OKR (2019) | CR (2017) |
| | % of total number of businesses | | | | | | % of total number of employees | | | | | |
| Manufacturing | 11% | 18% | 22% | 11% | 10% | 16% | 9% | 21% | 42% | 8% | 10% | 9% |
| Utilities | 3% | 6% | 1% | 1% | 4% | 3% | 3% | 6% | 1% | 2% | 4% | 2% |
| Vehicle sale and repair | 16% | 11% | 10% | 5% | 4% | 13% | 11% | 10% | 5% | 3% | 2% | 5% |
| Construction | 14% | 7% | 11% | 5% | 5% | 16% | 9% | 7% | 21% | 3% | 4% | 16% |
| Wholesale | 7% | 26% | 12% | 4% | 7% | 12% | 6% | 26% | 8% | 2% | 7% | 10% |
| Transport & storage | 8% | 11% | 3% | 6% | 6% | 5% | 21% | 10% | 2% | 3% | 22% | 3% |
| Services | 13% | 11% | 29% | 30% | 21% | 13% | 12% | 14% | 14% | 44% | 25% | 13% |
| Retail | 14% | 6% | 2% | 13% | 16% | 13% | 14% | 5% | 3% | 10% | 12% | 24% |
| Restaurants, cafes, takeaways | 4% | 2% | 0% | 18% | 11% | 3% | 3% | 1% | 0% | 7% | 5% | 4% |

KEY FINDINGS

A strategic location serving South London and beyond

The prevalence of standalone warehousing and newer (post 1990 & post 2005) industrial premises across the study site is indicative of Purley Way's role as a location for international businesses to root their London operations and for the others to reach both Central London and international market easily with easy access to both road and freight infrastructures. The area has established itself as something of an operational 'sweet spot' for large retailers and wholesalers who seem to continue to move into the area and drive ongoing investment into new and upgraded premises. Moreover, the overall vacancy is low across the all study area.

A key location for independent businesses with London links

Access routes and proximity to central London means that Purley Way also provide workspace for independent, smaller businesses for which links with London are vital. These workspaces are increasingly coveted as the city continues to shrink its supply of industrial land or rationalise smaller sites into sites for larger-scale logistics.

More than a half of the businesses interviewed on site identify their customer base as located within the Greater London boundary and for these businesses access, not only to end-user customers, but to clients, collaborators and specialist suppliers in London is a crucial driver to their operations. Businesses including furniture makers and suppliers, framers, engineering and construction services and food manufacturers serve primarily London markets. These businesses also often employ specialist skills including engineers, designers, bespoke manufacturers and makers which are provided by the London employment pool.

Ongoing investment into industrial stock and workspace

A key point to note is that the majority of newer stock provision is a the large footprint, with very few smaller units being developed in the last 20-

30 years. While there is clear demand for these units, with low vacancy rates and a desire for more spaces for smaller scale operations reported across site interviews, provision at this scale remains under-served as larger industrial developers seem to receive higher returns from large floorplate, logistics-oriented warehouses.

In comparison with other industrial locations, there are very few multi-occupancy buildings/ buildings divided-up to provide for small-scale industrial activities. There is however evidence of diversification and of increase in small workspace provision with the recent delivery of 113 artists studios as part of the Grafton Quarter development.

In the face of this pattern of provision, it is important that premises for small- to medium-sized industrial type activities, and their related diverse employment base, is retained in order to ensure that smaller and expanding businesses have a chance to gain a foothold.

Area specialisms & small clustering

The business activity mapping and comparative analysis reveal Purley Way's key areas of specialism. Construction related businesses represents 17% of all the businesses in the area and includes all aspects of the industry from construction services and environmental consultants, to builders, material suppliers, equipment hire and recycling/waste management. The Builder Training Centre is also located within the area, next to Waddon train station. If there is little evidence of supply chains and links among those, there is potential to increase relations and strengthen this ecosystem which serves London's regeneration and economy.

There is also clear cluster of businesses serving London's offices, including professional cleaning, office furniture and equipment suppliers. Most of these businesses are long-established and provides jobs for the local area.

While not prominent in terms of number of businesses and jobs, the manufacturing sector is

dynamic and the area is home to highly specialised manufacturing businesses (engineering, tech). A similar comment can be made for the creative sector with the presence of key employers in the digital and IT industries including growing data-led innovation and gaming companies.

Non-industrial uses within designated SIL

The designated industrial areas host mainly industrial uses and very few non-industrial activities have been recorded within the industrial building stock . In total, four churches, two gyms, and a couple of professional services businesses have been recorded within industrial buildings. However, some of the SIL, and especially around Imperial Way to the south and Factory Lane to the east are composed by assembly spaces and mixed-use buildings hosting non-industrial uses.

Overall it is estimated that 10% of the businesses operating from a designated SIL area are non-industrial businesses (e.g. services, hospitality, recreation). This corresponds however to only 7% of the SIL employment floorspace. *To be explored further*

DRAFT

WE MADE THAT LLP
Unit 21 Tower Workshops
58 Riley Road
London SE1 3DG

T +44 (0)20 7252 3400
www.wemadethat.co.uk
studio@wemadethat.co.uk

We Made That LLP is
registered in England &
Wales. Reg no. OC367789