

**Stratford**  
Metropolitan  
Masterplan  
Supporting Document:  
Socio-economic  
Impacts Paper

February 2011

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# 1. INTRODUCTION

- 1.1. Stratford Metropolitan masterplan brings together a wide range of existing and proposed plans in such a way as to maximise their impact for the people of Stratford, Newham and East London. The masterplan encapsulates the real and tangible opportunity for positive change in Stratford that can be secured if it is guided by a clear and comprehensive vision shared by the main stakeholders. This could mean real change in the everyday lives of the millions of people who live, work, shop, play, study and move through Stratford. It could provide a better place to live, a safer street to move along, a new opportunity for work or learning, a healthier and happier community. Some of the key impacts that could arise from the masterplan alongside other development and investment coming forward in the area are set out below.

## 2. EXECUTIVE SUMMARY

### **Jobs, Business & Enterprise**

- 2.1. Over 46,000 jobs will be provided across Stratford, including 7,400 jobs in the existing town centre, 3,500 on the Olympic site, and over 30,000 at Stratford City.
- 2.2. These include over 33,000 office jobs, 10,400 retail jobs, over 1,500 leisure/education and community jobs and also over 1,000 jobs in hotels and catering.
- 2.3. Of the 33,000 office jobs, the largest sector will be finance and business services. Public sector employment will become a smaller, though still significant, contributor to overall employment (over 4,000 jobs).
- 2.4. The area will become increasingly attractive to innovative, knowledge intensive companies.
- 2.5. It is estimated that growth over the plan period could result in 1,700 new workplaces in the Stratford and New Town ward. The largest proportion of these would be small businesses, though large companies will make the biggest contribution to job creation. In particular, the area would respond to the opportunities for growth of the following sectors:
  - business and financial services,
  - retail,
  - visitor economy (hotels, tourism & leisure),
  - creative industries,
  - knowledge intensive sectors (education; high technology and green industries),
  - construction.

- 2.6. As Stratford's enterprise structure changes, the mix of companies and sectors would become more like those associated with London's Central Activity Zone and its city fringes.

## **Combatting Worklessness**

- 2.7. To ensure that the proportion of working age people in work in Newham is the same as the London average, 21,000 Borough residents need to secure work. Unemployed people, especially the long-term unemployed, are more likely to have lower skill levels than people in employment.
- 2.8. Stratford's employment growth is a resource for tackling worklessness across the Borough as a whole. Stratford's growth will help in a number of ways:
- Development will create a substantial increase in lower skilled level jobs in retail and services, for example: Westfield will add over 8000 retail jobs to the local economy, and in the medium term, over 1,000 jobs in hotels and catering will be created.
  - Employment services including Workplace and the Mayor's Employment Project will be extended and dedicated projects such as the Westfield Training Academy will link local people with jobs.
  - The education sector will be strengthened at all levels, and new higher education establishments will be attracted into the area, to provide high quality academic and vocational learning.

## **Visitor Economy**

- 2.9. The Olympics are providing a once in a lifetime opportunity to put Stratford on the map, with the stadium site, the legacy proposals and Westfield combining to form a 'must-see' visitor attraction for tourists and for day visitors.
- 2.10. Even if Westfield just secures the same level of visitors as Westfield at Shepherd's Bush in its first year, over 23 million visitors will arrive in Stratford. These figures are likely to be surpassed.
- 2.11. The business tourism economy has strong prospects and this will drive hotel development and local spending. The extension of Eurostar to Stratford and potential expansion of London City Airport will improve Stratford's international connections.
- 2.12. The masterplan seeks to ensure that the existing town centre captures a proportion of these visitors by improving the environment, making more visible the arts and cultural attractions, adding new attractions and by securing additional hotel provision.

## Investment

2.13. The gross development value for the buildings and public spaces in the four priority projects (of Stratford Town Centre Southern Quadrant, Chobham Farm, the Carpenters Estate and Sugar House Lane) alone amounts to nearly £1.5 billion.

## Movement

2.14. Transport improvements include:

- 30% increase in rail capacity through Stratford station,
- up to 17% increases in effective line capacity in the peak periods,
- better cycling and walking routes across the area, improving access from all parts of the ward to key facilities such as public transport hubs, the town centre and the Olympic Park,
- better road-based public transport network and public transport access arrangements leading to much improved Public Transport Accessibility Levels (PTALs) across the Stratford and New Town ward,
- combination of all improvements across the area resulting in improved public transport travel times to Stratford from across Newham,
- new Royal Docks DLR services to Stratford, new Stratford High Street and Abbey Lane DLR stations will improve public transport for south and west of Stratford and New Town ward and access to Stratford from Canning Town, Beckton and the Royals,
- Crossrail services running through the north of the borough are expected to reduce dependence on Stratford for certain Newham travellers travelling to central London, releasing additional capacity for those with destinations in Stratford.

## Housing

2.15. Over 20,000 new homes will be delivered, which will contribute significantly to meeting Newham's housing needs.

2.16. Three great residential neighbourhoods (at Carpenters, Sugar House Lane/Pudding Mill Lane and Chobham) will be created, and the aim is to provide 40% of housing as family homes.

2.17. New housing areas are well-integrated with existing neighbourhoods through improved links to allow all residents to access improved housing and community services and facilities.

## Population Growth and Change

- 2.18. Based on development projections, the Stratford and New Town ward's population could triple in size by 2033. The masterplan would result in an estimated increase in population of over 41,000 people.
- 2.19. The increase in population would include 2,750 pre-school aged children, approximately 2,300 of primary school age and over 1,200 additional children of secondary school age, excluding sixth formers.

## Access to Services

With regard to access to services, parts of Stratford and New Town ward are in the worst 10% nationally (Index of Multiple Deprivation). The masterplan and other proposals in the area will meet the needs of new residents and help to combat poor access to services for existing residents through provision of:

- 15 new nurseries,
- Primary schools providing 11 forms of entry,
- Three new secondary schools - Chobham Academy in Stratford City, a new building for the Stratford School on the former Rokeby School site and a new seven form of entry school in the south of the ward,
- Expansion of the higher and further education offer,
- 23 new GPs and 21 new dentists,
- 2 polyclinics (Chobham and Vicarage Lane),
- Additional / improved community spaces at Carpenters and Pudding Mill / Sugar House Lane.

## Cultural and Leisure Opportunities

- 2.20. The Olympic Park will deliver world-class sports, leisure and visitor attractions as part of the Olympic legacy. The Stratford Masterplan will integrate these with the regeneration of the existing neighbourhoods through joint planning of services and improved connections.
- 2.21. Stratford City will deliver a range of commercial leisure opportunities such as a cinema, an arts and cultural centre, and health and fitness facilities.
- 2.22. Stratford Old Town will offer a complementary range of cultural facilities, building on the strong existing cultural presence and new opportunities such as the potential for the Rex Cinema to be developed as music venue.
- 2.23. A new fitness centre is proposed for Stratford Old Town. Elsewhere, sports and fitness facilities will be developed on a neighbourhood basis, where possible as part of mixed community and leisure spaces or as part of the extended school offer.

## Safer, Greener Newham

2.24. Environmental improvements are essential to the Stratford Metropolitan Masterplan and include the following:

- Improved public realm across the whole town centre and within the Carpenters area including a new town centre public square and a covered market square, plus a new public square at Sugar House Lane (approximately 5400sqm in total).
- One new park proposed at Chobham (at approximately 5,287sqm) and an improved park at Carpenters, in addition to the regionally significant Olympic Park.
- Better overlooked streets and spaces, more stable communities and improved access to jobs leading to potential reduction in crime rates.
- Strategy of low residential parking levels and promotion of sustainable forms of travel to minimise the impact of development on climate change.
- Improved walking and cycling routes to encourage movement by these modes and to enhance the quality of journeys.
- Maximisation of densities around transport hubs to create an efficient use of land and encourage sustainable commuting.
- Improvement of historically significant areas in the Broadway and Sugar House Lane to encourage the retention and improvement of historic assets.

## 3. JOBS

### Baseline

- 3.1. Stratford & New Town ward had 888 workplaces as of 2008<sup>1</sup>. This was equivalent to 5.5 workplaces per 100 residents, compared to 2.4 in Newham and 5.2 across London as a whole<sup>2</sup>.
- 3.2. In 2008, there were 14,616 jobs in Stratford & New Town ward<sup>3</sup>. This was equivalent to 90.9 jobs per 100 residents, compared to 26.7 in Newham and 54.7 across London as a whole<sup>4</sup>.
- 3.3. The unemployment rate is not available at ward level. However, Job Seekers Allowance (JSA) claimant rates show that 680 local residents, or 7.4% of the local working age population, were in receipt of JSA<sup>5</sup>. By comparison, JSA claimants accounted for 6.4% of the working age population in Newham and 4% of the working age population in London as a whole<sup>6</sup>.
- 3.4. There are no direct figures on Stratford's visitor economy. Newham as a whole achieved 2.2 million day visits in 2007, on top of 462,000 overnight visitors for a total estimated tourism spend of £333m. A large proportion of this is likely to be to visitor attractions and hotels in other parts of the borough, in particular visitors to Excel, West Ham FC, Green Street and business visitors to London staying at the Royal Docks.

### Desktop review of forecasts for Stratford's Job Growth

- 3.5. A number of sources have produced projections for either the immediate area, the wider Lea Valley region or Newham as a whole, which are of relevance when projecting future outcomes relating to the development of Stratford. This section considers each of these in turn.

#### *Newham Economic Development Strategy*

- 3.6. The Economic Development Strategy (EDS) for Newham<sup>7</sup>, identifies a number of growth areas across the borough, including Stratford. The EDS identifies 8,000 retail jobs in Stratford City with the potential for a further 1,000 jobs enabled in the town centre over the next two decades.

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<sup>1</sup> ONS (2008) Annual Business Inquiry

<sup>2</sup> Note: enterprise figures are from ONS (2008) Annual Business Inquiry, 2009; population figures are from GLA Population Projections 2008. Population figure for Stratford & New Town is from LB Newham, bespoke projections based on GLA Population Projections 2008.

<sup>3</sup> ONS (2008) Annual Business Inquiry

<sup>4</sup> Note: employment figures are from ONS (2008) Annual Business Inquiry; population figures are from GLA Population Projections 2008. Population figure for Stratford & New Town is from LB Newham, bespoke projections based on GLA Population Projections 2008.

<sup>5</sup> ONS (2010) Claimant count with rates and proportions

<sup>6</sup> Ibid.

<sup>7</sup> LB Newham (2010) Economic Development Strategy

- 3.7. The EDS also identifies approximately 23,200 commercial jobs in the Stratford City business district over the next two decades, suggesting that the sectors represented will include finance, professional services, government offices and the back offices of large companies. The EDS also identifies the potential for additional job creation in public and private services and through leisure and visitor activities, though the exact type and number of these jobs is not specified.

### ***The London Plan***

- 3.8. The 2004 London Plan divided Stratford and the Lower Lea Valley into separate opportunity areas with a combined area of 374 hectares. By contrast the updated consultation draft published in October 2009<sup>8</sup> had reconstituted the opportunity area as the 'Lower Lea Valley including Stratford', with a much larger area and accordingly higher numbers of targeted jobs and homes.
- 3.9. The 2009 consultation draft London Plan calls the combined area 'the most important single regeneration initiative for London and an urban renewal challenge of global significance.' The town centre states that 'a new Metropolitan centre will be focused on Stratford town centre and a rich mix of employment.' The 2009 document also refers to 30,000 'predominantly office jobs' being planned for Stratford and Stratford being identified as a potential site for 'strategic office' and higher education employment of regional significance. For Stratford and the Lower Lea Valley as a whole, the total projected employment increase in the latest London plan is 50,000 to 2030.

### ***Olympic Legacy Masterplan Framework***

- 3.10. The Olympic Legacy Masterplan Framework area covers part of Stratford & New Town ward, also taking in parts of Hackney, Waltham Forest and Tower Hamlets. The Olympic legacy strategy<sup>9</sup> envisions an additional 9,400 jobs for the area to 2040. This increase coupled with major development projects in the area (including Stratford City) indicates total growth in jobs of approximately 40,000 by 2040 throughout the Olympic legacy area.
- 3.11. The Olympic legacy strategy identifies a total of 30,441 net jobs within major development zones in the legacy area. Of these, 22,780 net jobs are in Stratford City (including zone 2) and 7,661 net jobs are in fringe masterplan areas. The Olympic legacy strategy identifies 2,475 net jobs in Pudding Mill Lane and 436 in Stratford Waterfront.

### ***Westfield Stratford City***

- 3.12. Estimates for confirmed and potential job projections for Stratford City by development zone, are illustrated in the table below.

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<sup>8</sup> The London Plan (2009) Consultation draft replacement plan

<sup>9</sup> LDA (2009) Olympic Legacy Socio-Economic Strategy

## JOB PROJECTIONS FOR STRATFORD CITY BY ZONE (CONFIRMED AND POTENTIAL JOBS)

Zones	Retail	Commercial / Office Jobs	Hotel and Leisure Jobs	Total Jobs
<b>Zone 1 (Confirmed)</b>	8,000	1,590	250	9,840
<b>Zones 2 – 7 (Potential)</b>	425	21,647	2,155	24,227
<b>All Zones (Confirmed and Potential)</b>	8,425	23,237	2,405	34,067

Source: LB Newham (2010) Note on Projects to be Included in Economic Modelling

### GLA Employment Projections

3.13. GLA Economics has produced a number of scenarios for employment growth for each of the London Boroughs<sup>10</sup>. These scenarios take the 750,000 additional jobs forecast in London to 2031 and apportion them by borough according to 4 different assumptions:

- Trend – employment growth continues along the trajectory of recent years;
- Site Capacity - growth is based on the sites available for development;
- Accessibility - growth is based on the relationship between transport investment and economic growth; and,
- Combined Scenario – growth based on the triangulation of the above scenarios.

3.14. The results of the GLA Employment Projections analysis are set out in the table below. It shows that the scale of transport investment in Newham along with the large amounts of developable land has the potential to significant increases in the number of jobs available in the borough to 2031.

### GLA ECONOMICS EMPLOYMENT PROJECTIONS FOR NEWHAM

	2007	2011	2016	2021	2026	2031	Change 2007-2031
<b>Trend</b>	83,000	86,000	88,000	89,000	89,000	90,000	7,000
<b>Site Capacity</b>	83,000	87,000	93,000	127,000	150,000	174,000	91,000
<b>Accessibility</b>	83,000	87,000	93,000	97,000	100,000	103,000	20,000
<b>Combined Scenario Projections</b>	83,000	88,000	94,000	100,000	103,000	107,000	24,000

Source: GLA Economics (2009)

<sup>10</sup> GLA Economics (November 2009), Working Paper 39 'Borough employment projections to 2031'

- 3.15. While this is not directly connected to developments at Stratford, it is clear that a large proportion of the increase in both site capacity and accessibility will be due to improvements at Stratford.
- 3.16. One concern arising from these projections is that the combined scenario shows quite low levels of growth, lower even than the number of jobs expected at Stratford City alone. It is important therefore, to interrogate these projections with respect to Stratford's circumstances. Firstly, Stratford is aiming at a fundamental step-change in local economic performance. This reduces the importance of the relatively low trend projection which anyway partly reflects the lower employment growth in the rest of the borough.
- 3.17. Moreover, the combined scenario assumes that accessibility is a constraint in Newham. Whilst this may be the case for other parts of the borough this is clearly not the case for Stratford, which already has very good London Underground and rail connections which will only improve with Crossrail and the extension of Eurotunnel services. Therefore it is more likely that existing and future connections are more than sufficient to support increased growth.
- 3.18. All of this suggests that the strongest driver of employment growth - in Stratford, if not the rest of Newham - will be increases in employment space, most obviously at Stratford City but in other parts of the Metropolitan Centre as well.

### ***Oxford Economics Host Borough Economic Forecasting***

- 3.19. Forecasts by Oxford Economic Forecasting (OEF) for the Five Boroughs Strategic Regeneration Framework look at the effect of three scenarios on expected employment growth to 2030. The three scenarios are:
- Improving job opportunities due to major developments
  - Population related jobs growth – on top of the improved job opportunities modelled in the first scenario
  - Improved skills and jobs outcomes through provision of skills programmes and access to work interventions

### **OEF EMPLOYMENT PROJECTIONS FOR NEWHAM TO 2030 (000S)**

<b>Scenario</b>	<b>2008</b>	<b>2020</b>	<b>2030</b>	<b>Net change 2008-2030</b>
<b>Baseline</b>	79.5	83.3	86.9	7.4
<b>Major developments (i.e. Stratford City)</b>	79.5	106.6	116.7	37.2
<b>Housing, population and major developments</b>	79.5	116.8	140.1	60.6
<b>Employment generated through policy interventions (primarily skills programmes)</b>	79.5	108.1	119.4	39.9

*Source: Oxford Economics (2010)*

- 3.20. The forecasting methodology and assumptions by OEF varies slightly to the GLA's but the overall projection for London's growth over the next 20 years is similar. In the baseline scenario modelled by OEF, 7,400 jobs would be created in Newham between 2008 and 2030, a similar figure to the GLA estimate. The capacity and policy driven estimates are lower than the GLA Economics projections. When accounting for housing and population growth in addition to major developments, the OEF model projects jobs growth of 60,600.
- 3.21. As with the GLA forecasts, the OEF projections are for the whole of Newham rather than Stratford. However, as with the GLA projections, a large part of the input into the model is development at Stratford. The OEF model projects 32,700 jobs from development in Newham of which 24,200 or approximately three-quarters are related to Stratford specifically. Therefore, as with the GLA model, a large proportion of these projections can be seen as accruing to Stratford as opposed to the rest of the borough.

## **Job Creation in the Masterplan area**

### ***Assumptions made to model employment growth***

- 3.22. A calculation of the numbers of jobs that would be created if the masterplan were to be implemented was made. It was built up from the following sets of assumptions: the amount and type of floorspace that would be created across the masterplan area; the numbers of jobs that would be created based on applying standard multipliers to the assumed floorspace figure, and some minor adjustments to account for non standard elements. Although some industrial floorspace will be lost in the area, it is assumed that the loss will be offset by intensification of the use of the remaining industrial space, so no figure has been added to our calculations. The assumptions are set out in the following tables:

## EMPLOYMENT FLOORSPACE CREATED (IN STRATFORD AND NEW TOWN WARD)

Neighbourhood	Assumed floorspace to be created (Sq m)			
	Office	Retail	Leisure & Sport	Community & Education
<b>Stratford Old Town*</b>	124,082	24,293	5,480	35,580
<b>Greater Carpenters (inc part of Stratford High Street)**</b>	28,207	4,766	0	18,151
<b>Chobham Neighbourhood (at Stratford Village)</b>	750	3,340	2,000	500
<b>Stratford High St at Pudding Mill &amp; Sugar House Lanes</b>	1,643	215	0	0
<b>Pudding Mill Lane</b>	58,000	750	400	1,100
<b>Sugar House Lane</b>	47,600	1,830	0	1,030
<b>Stratford City Z1</b>	106,263	159,126	35,300	15,798
<b>Stratford City Z2</b>	257,267	1,000	0	297
<b>Stratford City Z3-5</b>	101,520	7,500	2,400	6,741
<b>Stratford Waterfront</b>	3,000	5,000	500	650
<b>Olympic Quarter</b>	625	625	1500	1,000
<b>Totals</b>	<b>576668</b>	<b>208445</b>	<b>47580</b>	<b>80847</b>

\* Includes Morgan House (as Morgan House is currently empty and unlettable)

\*\* The Greater Carpenters Neighbourhood is wider than the Carpenters Estate and includes part of Stratford High Street

## HOTEL BEDSPACES CREATED

Neighbourhood	Hotel Bedspaces
<b>Stratford Old Town</b>	358
<b>Greater Carpenters</b>	302
<b>Stratford City Z1</b>	569
<b>Stratford City Z2-5</b>	1,724
<b>Totals</b>	<b>2,953</b>

## MULTIPLIER ASSUMPTIONS

	Office	Retail	Leisure & Sport	Community & Education	Hotel
<b>Amount of floorspace (m2) per job created</b>	22	20	90	90	
<b>Numbers of bedspaces per job</b>					2.5

## OTHER MISCELLANEOUS JOB CREATION ASSUMPTIONS

Miscellaneous further assumptions	Number of jobs
<b>Allowance for other small GP/dentist surgeries, local service, community and voluntary jobs at small locations across the area in addition to those arising from the floorspace assumptions above</b>	114
<b>Allowance for industrial jobs created through intensification of existing space (no net new industrial floorspace is assumed to be created in the masterplan area)</b>	250

3.23. Many factors may generate a departure from the scenario that has been modelled. First and foremost, the market will determine the actual scale and pace of property development and also the profile of occupiers that is achieved in the area. The choices of landowners, investors and developers, the decisions made in the planning process, and prevailing economic conditions will all shape Stratford's economic development. Some elements may increase job creation: Stratford City and Westfield's growth may well outstrip the assumptions made in this scenario; the Olympic Park will generate leisure and tourism jobs, but they have not been included in the model above. The floorspace capacity analysis does not address how existing business community and its employment profile will change over the plan period. While it is important to be cautious about growth forecasts, it can be seen from these examples that Stratford's *potential* for job creation could exceed the projection that has been modelled.

### **Employment Growth arising from increased floorspace**

3.24. By applying the assumptions in the preceding section, the following forecast of job creation was generated:

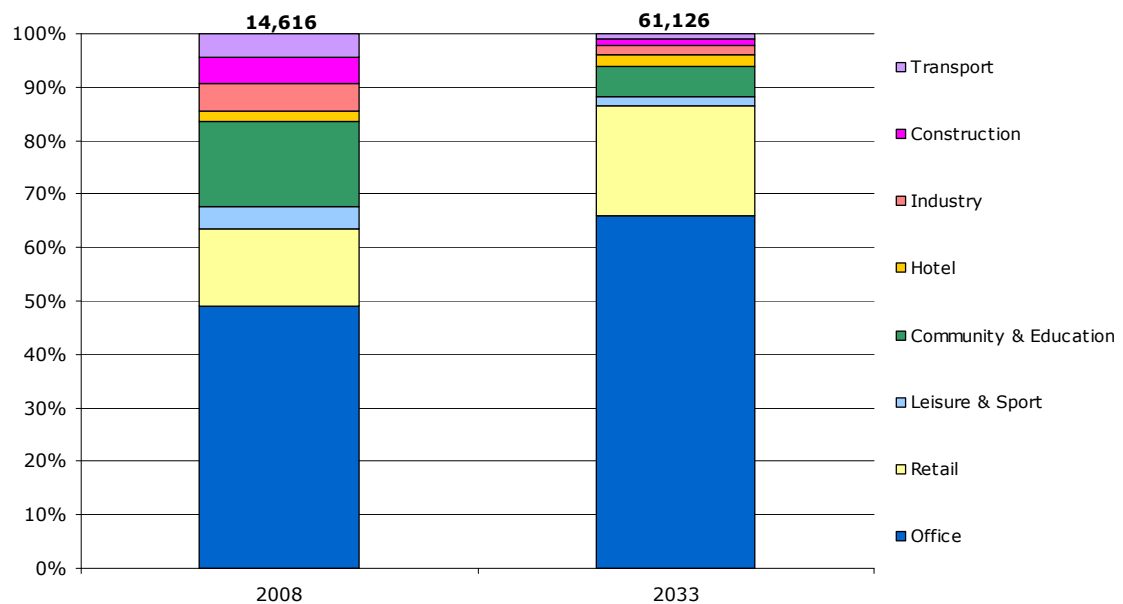
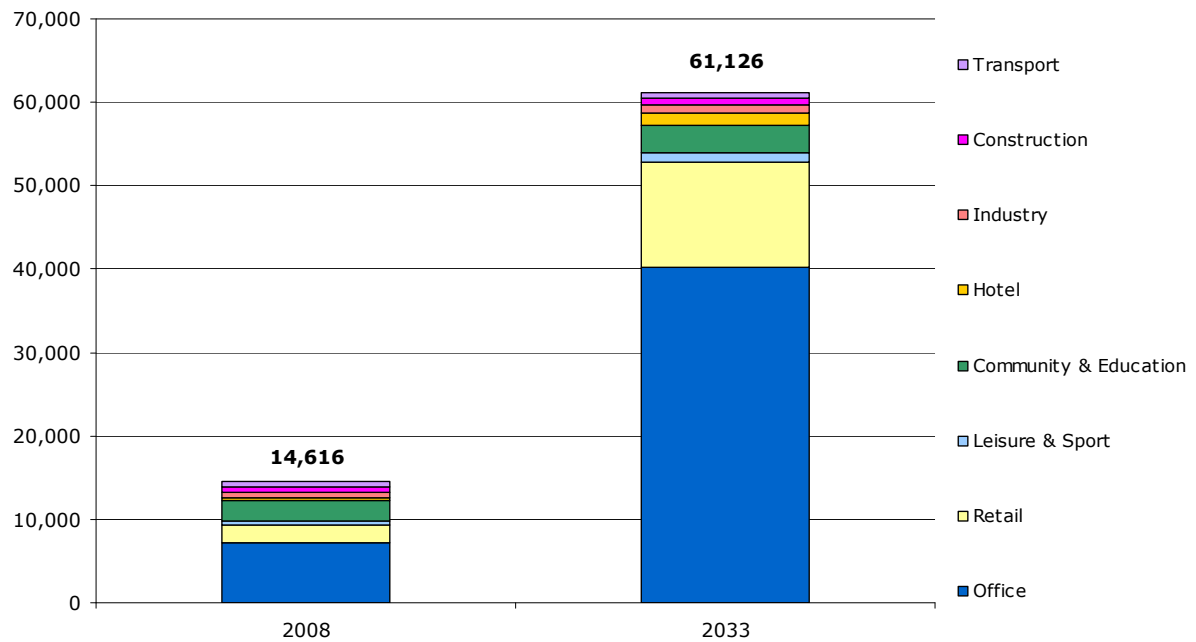
#### **JOB CREATION ATTRIBUTABLE TO NEW DEVELOPMENT**

	Sector						Totals
	Office	Retail	Leisure & Sport	Community & Education	Hotel	Intensified Industry	
<b>Stratford Old Town</b>	5,640	1,215	61	395	124	0	7,435
<b>Greater Carpenters</b>	1,282	238	0	202	121	0	1,843
<b>Chobham</b>	34	167	22	6	0	0	229
<b>Stratford High St at Sugar House and Pudding Mill</b>	75	11	0	0	0	0	85
<b>Pudding Mill Lane</b>	2,636	38	4	12	0	0	2,691
<b>Sugar House Lane</b>	2,164	92	0	11		0	2,267
<b>Stratford City Z1</b>	4,830	7,956	392	176	228	0	13,582
<b>Stratford City Z2</b>	11,694	50	0	3		0	11,747
<b>Stratford City Z3-5</b>	4,615	375	27	75	690	0	5,781
<b>Stratford Waterfront</b>	136	250	6	7		0	399
<b>Olympic Quarter</b>	28	31	17	11		0	87
<b>Miscellaneous</b>	0	0	0	114		250	364
<b>Totals</b>	<b>33,134</b>	<b>10,422</b>	<b>529</b>	<b>1,012</b>	<b>1,163</b>	<b>250</b>	<b>46,511</b>

3.25. These results demonstrate that employment in Stratford & New Town ward is expected to more than triple over the period to 2033, from 14616 in 2008 to over 61,000 in 2033. As with the number of workspaces (see Section 4), the expected increase in population (see Section 9) means that the number of jobs per resident in Stratford is projected to decline from 90.9 in 2008<sup>11</sup> to 87.8 in 2033.

<sup>11</sup> ONS (2008) Annual Business Inquiry

## NUMBER AND SECTORAL COMPOSITION OF JOBS 2008 (ACTUAL) AND 2033 (FORECAST):



### Gross and Net Job Creation

3.26. The job creation figures shown in the table above are gross jobs created. To arrive at a net job creation figure, assumptions about occupancy rates and displacement need to be applied. Given the aspiration to create new sectors within Newham and to attract substantial inward investment, it is considered reasonable to apply the following assumptions about occupancy and displacement:

### OCCUPANCY, DISPLACEMENT AND MULTIPLIER ASSUMPTIONS

Occupation rate	Displacement within the Borough (low)	Multiplier effect of growth on the Newham economy (medium)
-10%	-5%	+10%

3.27. Applying these assumptions to the job creation figures for the masterplan as a whole would suggest that the development scenario would represent over 43,000 net additional jobs to the Newham economy. The jobs created would represent a lower net addition of jobs to the sub region, London and the rest of the UK.

## 4. BUSINESS AND ENTERPRISE

### Business Growth

- 4.1. The projection for proposed floorspace, attributed to broad sectors, does not enable concrete observations about the number of businesses that we can expect to be created in Stratford to 2033, because it does not tell us about the size of businesses that will occupy the space to be developed.
- 4.2. In order to make an assessment of the number and type of businesses to be created in the area, we reviewed how some wards in Tower Hamlets have changed as London's centre of gravity has moved eastwards. It is important to say at the outset that we do not consider these wards to represent Stratford's future; rather they give an indication of how company size and mix may perform in an area as its economic role changes significantly.
- 4.3. Millwall, which contains a large portion of Canary Wharf, represents a maturing finance and business services district; while Spitalfields & Banglatown and Whitechapel combined form a City Fringe district. We created an artificial composite of the business profile of these wards and then scaled the results to approximate to the employment size and broad mix of sectors given by our floorspace analysis for Stratford. Using existing data on workplaces from the Annual Business Inquiry published by ONS for the comparator areas, we have developed a growth 'template' for Stratford.
- 4.4. We applied the template to the results of the employment projections (see below) and generated a profile of the sectoral mix and size of businesses that we might expect to see in Stratford at the future. Through this analysis we generated a projection of the number and type of new workplaces expected in Stratford to 2033 as shown in the table below.

#### PROJECTED WORKPLACE GROWTH IN STRATFORD TO 2033

Sector	Growth in Workplaces in Stratford to 2033
Finance and Business Services	918
Public Sector	95
Other	188
Retail and Wholesale	310
Hotel and Catering	124
Industry	66
Construction	41
<b>Total</b>	<b>1,742</b>

- 4.5. An important point of note is that the table above illustrates the number of workplaces as opposed to the number of enterprises. A workplace is an individual office, factory, shop, etc. located within a given area. An enterprise is a VAT or PAYE registered business. The key difference between the two is that an enterprise can consist of more than one workplace. For the purpose of calculating the increase in business activity, we have considered it more relevant to focus on the number of individual workplaces in Stratford as opposed to the total number of enterprises. This has the benefit of counting

- 4.6. The above analysis demonstrates that the number of workplaces is expected to almost triple to 2033, increasing from 888 in 2008<sup>12</sup> to 2,630 in 2033. However, due to the large increase in projected population, the number of workplaces per resident will actually decrease. Between 2008 and 2033, the number of workplaces per 100 residents is expected to decline from 5.5 to 5 in Stratford.

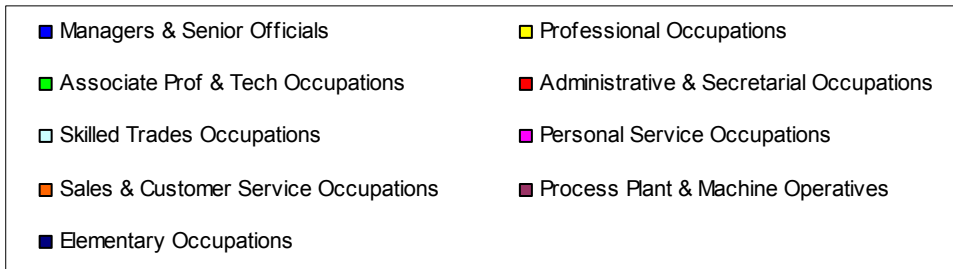
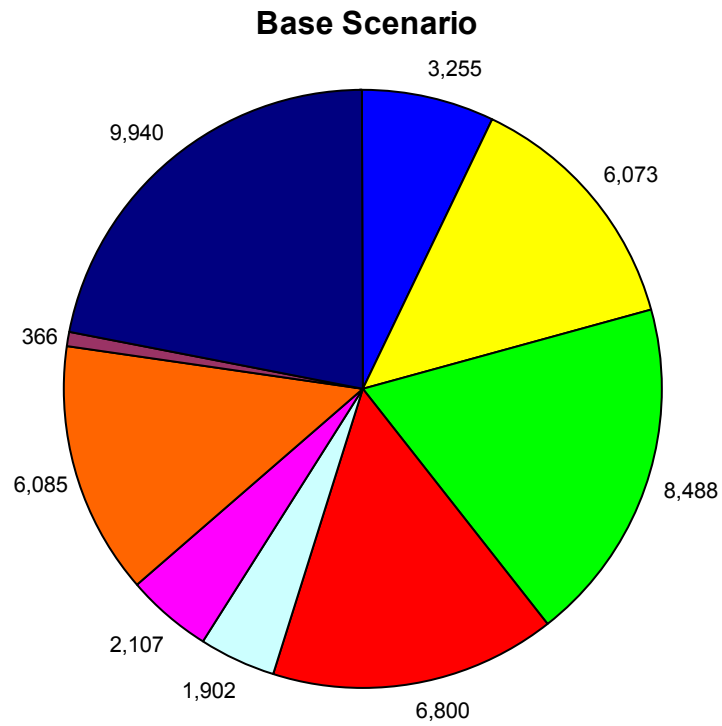
## Defining Employment Growth

- 4.7. To understand the types of jobs that will be created at Stratford we have created an occupational employment model. Each sector employs a mix of highly-skilled, intermediate and low skilled employees. We can use current data on occupational breakdown by sector to get an approximate idea of the mix of employment generated by new jobs in a given sector.
- 4.8. The model maps the new jobs expected at Stratford by the current occupational profiles of the sectors as they currently exist in both Newham and London. By mapping against both Newham and London we can produce a 'base' scenario – assuming future employment follows the usual pattern of employment in Newham – and an 'aspirational' scenario – assuming that future employment follows the usual pattern of employment in London. Employment in London typically tends to be higher-skilled than that in Newham so by adjusting our assumptions we get a different picture of the kind of employment zone Stratford could be.
- 4.9. The picture emerging from this basic model is instructive. It shows the huge difference between the employment growth predicated on existing patterns and employment growth predicated on convergence with common patterns of employment across London.
- 4.10. For the base model, 17,815 jobs are created in high-skilled occupations, 10,809 jobs are created in intermediate occupations and 16,391 jobs are created in low-skilled occupations.
- 4.11. For the aspirational model, 27,257 jobs are created in high-skilled occupations, 8,722 jobs are created in intermediate occupations and 9,036 jobs are created in low-skilled occupations.
- 4.12. The detailed occupation breakdown, below, allows us to draw some further conclusions. Firstly, the main difference in the two scenarios amongst the high-level occupations is that the aspirational scenario has significantly higher levels of employment amongst the very top and second top tier of employment. This reflects the higher proportion of senior management positions in London compared with Newham as a whole.

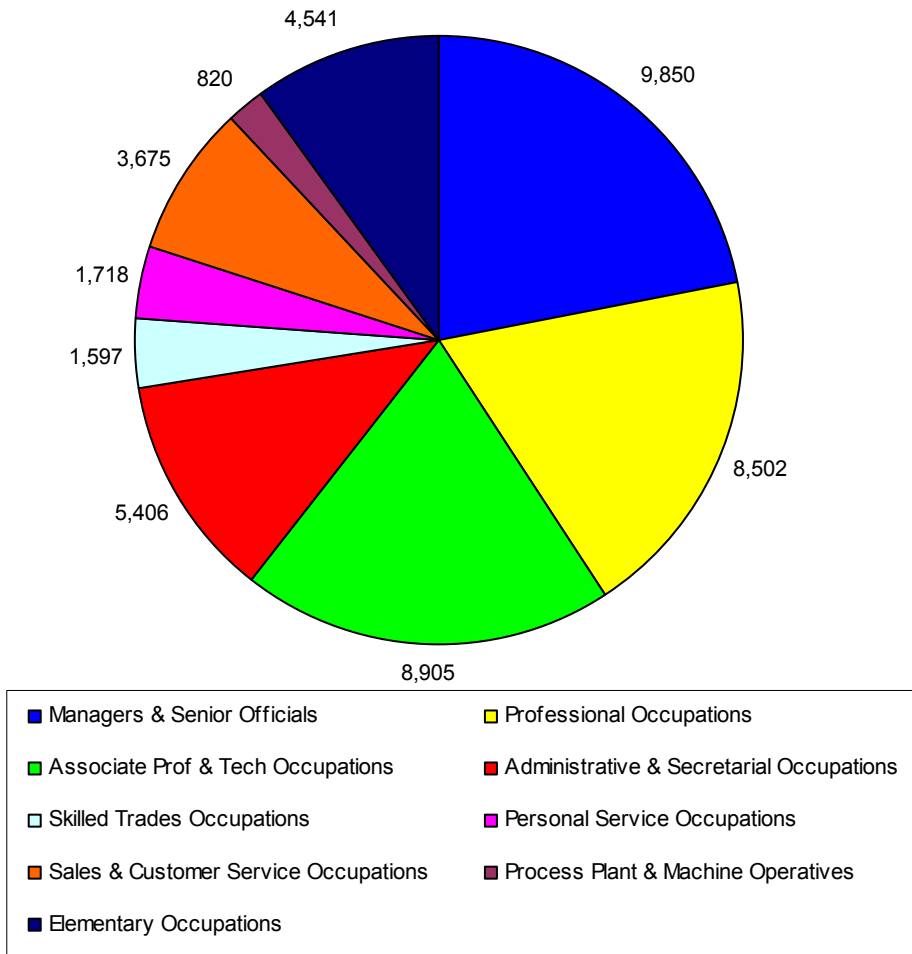
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<sup>12</sup> ONS (2008) Annual Business Inquiry

## BASE AND ASPIRATIONAL OCCUPATIONAL PROJECTIONS FOR STRATFORD TO 2033



### Aspirational Scenario



4.13. A second and opposite observation is that the other main difference between the two scenarios is the much lower level of lower-skilled employment in the aspirational scenario. Again, this reflects the higher-value occupations that are prevalent across London as a whole in comparison to Newham.

4.14. We should view the base scenario as a minimum point of expected expansion. Therefore at the minimum, we should expect just under 18,000 high skilled jobs in Stratford. The more that firms can be encouraged to view Stratford as a higher-end business location and a suitable place for head office activities, the better the chance of achieving the aspirational mix of employment which will be crucial for achieving convergence and a balanced, sustainable economy.

## Combatting Worklessness

- 4.15. Stratford has a higher than average rate of unemployment when compared with both Newham and the rest of London. We have already seen above that development at Stratford, whilst creating a large increase in local employment, will actually lead to a slight decline in the number of jobs per resident, due to the increased population to be accommodated in the metropolitan centre.
- 4.16. There are good reasons to suggest that development at Stratford could reduce local unemployment. Unemployment is more prevalent among lower skilled individuals and Stratford and Newham residents typically have lower skill levels than residents from other parts of London<sup>13</sup>. The developments at Stratford will involve a large retail element, of which a high proportion will be low skilled jobs and therefore available to local low skilled residents.
- 4.17. The retail academy at Stratford is already providing pre-employment support to local residents to help them access jobs. Some employers have committed to taking on local residents, including John Lewis who have committed to hire at least 250 local unemployed residents. Hotels and the commercial district will also create demand for low and intermediate skilled positions.

## Visitor Economy

- 4.18. Stratford is well positioned to see a large increase in the scale and employment footprint of the visitor economy. Increases in employment and spend related to the visitor economy are likely to arise across three key areas:
- London 2012 Olympic Games and legacy
  - Impact of Westfield Shopping Centre
  - Impact of business tourism
- 4.19. The Olympic and Paralympic Games in 2012 will see a global spotlight on London in general and Stratford, at the heart of the Games, in particular. The Games will generate a massive increase in visits to Stratford in the short term, many of which will involve staying locally and which will generate short-term demand for local goods and services.
- 4.20. The long-term impact of the Olympic Games is more uncertain. The Games will leave a legacy of world-class sporting infrastructure, particularly the Olympic Stadium but also the aquatic centre and velodrome. The Olympic Stadium's future is still uncertain but there is a strong possibility that it will remain a top-class sporting venue, in which case it could attract regular crowds of over 50,000, with attendant benefits for local businesses and creating employment for local people in the long-term. The Orbit tower is also likely to become a significant London tourist attraction.
- 4.21. In addition, the development of the Westfield Shopping Centre should be expected to generate significant additional day visits. The most obvious

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<sup>13</sup> ONS, Census (2001) and Annual Population Survey (2010)

comparator is Westfield in Shepherd's Bush, which in its first year saw 23 million visits even during the recession. Arguably Stratford has a location which will be even more competitive once Crossrail and Eurostar connections are complete, as well as benefitting from the wider regeneration which has not been a significant feature of the Shepherd's Bush development.

- 4.22. If Stratford City retail centre were to achieve the same level of visits as Shepherd's Bush this would represent an approximately tenfold increase in day visitors for the whole of Newham. At current rates of expenditure this would be equivalent to an additional £1.5bn in local expenditure, although the increased quality of Stratford's offer compared to the rest of Newham means that there is potential to achieve more.
- 4.23. Lastly, Stratford is well-placed to contribute to a large increase in Newham's business visitor economy, which is worth up to £170m per annum, given the increase in local hotel infrastructure, the building of the commercial district and the improvement in public and international transport connections.
- 4.24. The masterplan seeks to ensure that the existing town centre captures a proportion of these visitors by improving the environment, making more visible the arts and cultural attractions, adding new attractions and by securing additional hotel provision.

## 5. INVESTMENT

- 5.1. The gross development value (GDV) for the buildings and public spaces in the four priority projects amounts to £1,465 million. The priority projects are Stratford Town Centre Southern Quadrant (£250m), Chobham Farm (£325m), the Carpenters Estate (£590m) and Sugar House Lane (£300m).
- 5.2. These four key projects are those that Newham Council has a direct and leading involvement in via its land holdings. They are strategically placed to deliver on the masterplan aspirations and the proposals respond to current market interest. They can therefore create real opportunities for transformational regeneration. Further details can be found in the Delivery Framework.

## 6. MOVEMENT

6.1. Transport improvements proposed by the Stratford Metropolitan Masterplan are set out in the supporting Transport Report. They include:

- 30% increase in rail capacity through Stratford station,
- up to 17% increases in effective line capacity in the peak periods,
- better cycling and walking routes across the area, improving access from all parts of the ward to key facilities such as public transport hubs, the town centre and the Olympic Park,
- better road-based public transport network and public transport access arrangements leading to much improved Public Transport Accessibility Levels (PTALs) across the Stratford and New Town ward, particularly to the north; west and southwest of Stratford station,
- combination of all improvements across the area resulting in improved public transport travel times to Stratford from across Newham,
- new Royal Docks DLR services to Stratford, new Stratford High Street and Abbey Lane DLR stations will improve public transport for extreme south and west of Stratford and New Town ward,
- Crossrail services running through the north of the borough are expected to reduce dependence on Stratford for certain Newham travellers.

## 7. HOUSING

- 7.1. The great residential neighbourhoods identified in the masterplan were conceived to help deliver aspiration A of the Stratford Metropolitan Masterplan which relates to the creation of stable and balanced communities. Neighbourhoods at Carpenters, Sugar House Lane/Pudding Mill Lane and Chobham were chosen as locations most able to support residential neighbourhoods and provide housing typologies which will support families. They are well integrated with existing residential areas, and are therefore able to promote social and community connections and the shared use of existing and new community facilities.
- 7.2. The calculation of the number of new homes in Metropolitan Stratford was derived from the masterplan development schedule. This schedule presents a full picture of all developments coming forward in the Stratford Masterplan area, net of sites which are to be redeveloped. In addition to the new housing proposed by the Stratford Masterplan, several other sources of data about proposed housing development were used and their assumptions incorporated into the masterplan development schedule. Data on schemes recently completed, currently under construction or with full planning consent (where this would not represent double-counting within the schedule) was taken from Newham Council's housing trajectory. The Olympic Park Legacy Company shared housing figures for land within their control being planned through their Olympic Legacy masterplan. Conversations with landowners for key sites such as Duncan House and the Porsche Garage of Stratford High Street informed the assumptions made for the development of these sites. Finally, an allowance for small sites coming forward was taken from the Newham Council Housing Projections (August 2010).
- 7.3. A detailed breakdown of the housing mix within the overall housing numbers is not available, as for many sites the mix has not yet been determined, so an assumption based on current and emerging Core Strategy policy objectives has been made. The assumed mix of family housing was arrived at by applying a proportion of either 20% (low family housing), 30% (medium) or 40% (high) to each of the sites for residential development in the development schedule. This was dependent on how suitable the sites are considered to be for family housing with reference to the masterplan. The proportion applied was cross checked against the proposals for strategic sites contained in the Choices for the Core Strategy consultation document to ensure consistency.
- 7.4. The phasing of the delivery of housing was also determined through a number of sources. Where phasing is known for sites under construction (such as Stratford City), the current phasing plan has been used. For other sites, Urban Initiatives has made an estimate based on discussions with Council officers, the Olympic Park Legacy Company, the Olympic Delivery Authority, the London Thames Gateway Development Corporation and individual landowners and developers which have made their own assumptions on phasing. To avoid adding an additional layer of assumptions into the development schedule, in most cases the phasing as advised has been inserted. As each organisation has independently considered sites over which they have knowledge and/or influence, overarching market and economic factors which may have an impact

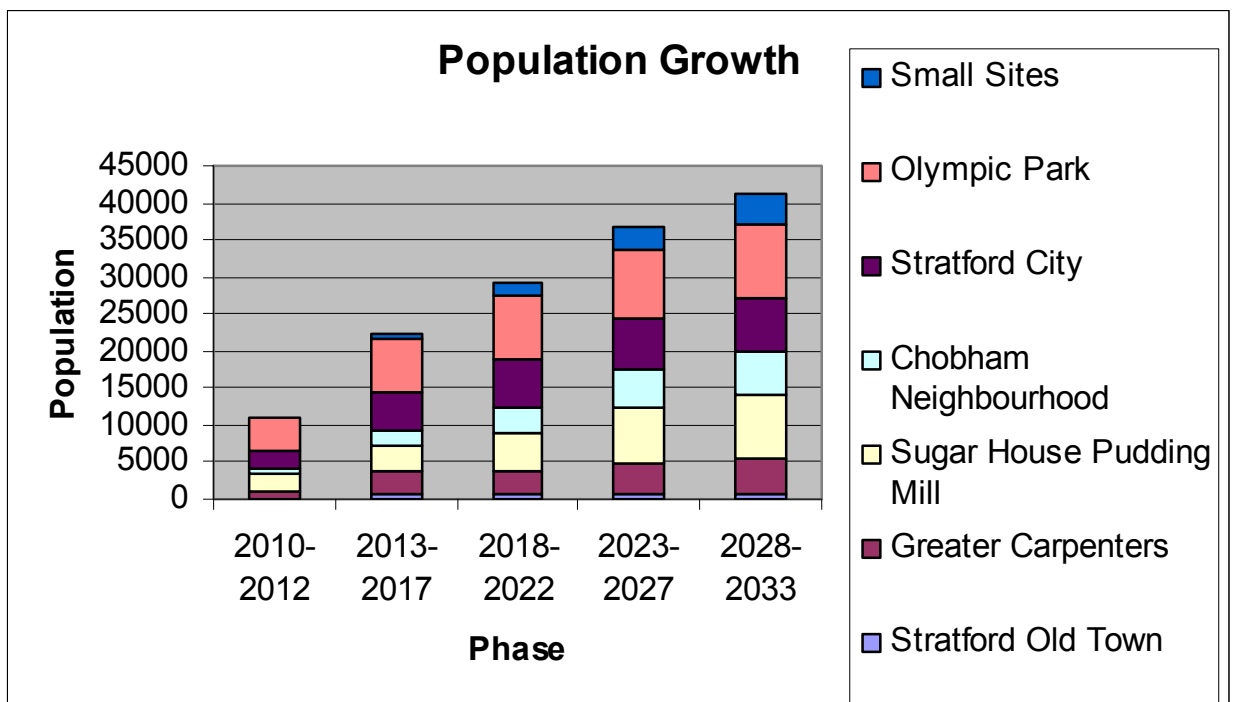
7.5. For more details of predicted housing growth, see the Community Infrastructure Assessment paper supporting the Stratford Metropolitan Masterplan.

**FORECAST COMPLETIONS OF HOMES BY QUARTER AND BY PHASE:**

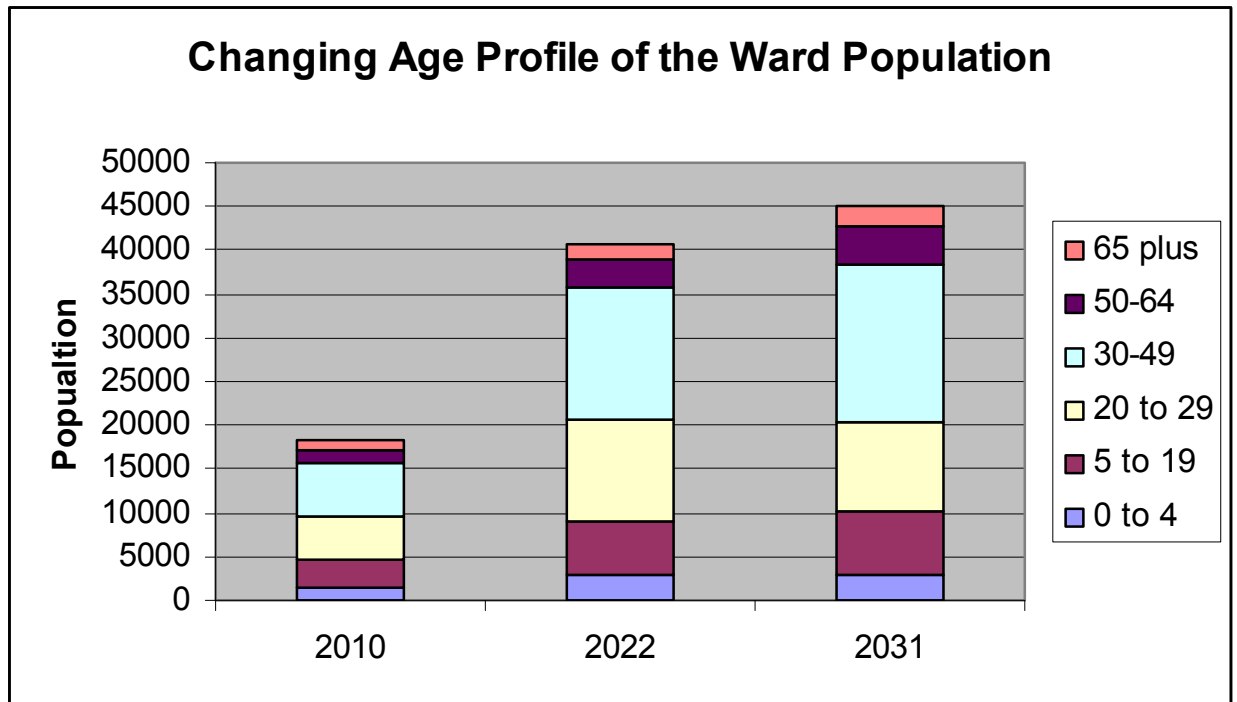
	Development Phases					All Years
	2010-2012	2013-2017	2018-2022	2023-2027	2028-2033	
<b>Provisional dates:</b>						
<b>Stratford Old Town</b>	0	1092	0	54	0	1146
<b>Greater Carpenters</b>	1719	755	338	1195	745	4752
<b>Sugar House Pudding Mill</b>	494	238	1107	1157	237	3233
<b>Chobham Neighbourhood</b>	0	1110	308	308	308	2034
<b>Stratford City</b>	3268	1889	864	0	0	6021
<b>Olympic Park</b>	0	500	500	1000	500	2500
<b>Small Sites</b>	0	112	100	100	100	412
<b>Total</b>	<b>5481</b>	<b>5696</b>	<b>3217</b>	<b>3814</b>	<b>1890</b>	<b>20098</b>

## 8. POPULATION GROWTH AND CHANGE

- 8.1. A bespoke estimate of the population for Stratford and New Town ward, produced by London Borough of Newham in January 2010, estimated the population of the ward to be 20,537. We estimate that the forecast population growth arising from the masterplan would add a further 41,000 people to the ward’s population. This suggests that the population of the ward would triple by 2033. The methodology behind these figures is contained in the Community Infrastructure Assessment paper supporting the Stratford Metropolitan Masterplan.
- 8.2. If the Delivery Framework were implemented as planned, the forecast growth in population would proceed like this:



- 8.3. Of course the phases may slow down or accelerate, and the spatial distribution of housing between neighbourhoods may alter as market conditions and other factors impact on housing growth.
- 8.4. GLA forecasts are useful for considering how the age profile of the ward may change in the future. The GLA estimates combine information about proposed development with other factors, including how the existing population of the ward may change: Note that the GLA estimates for the total population growth within the plan period are lower than our own forecast. This is because we have factored in new proposals for site development. Nevertheless, the GLA estimates are the best source for considering forecast changes in age profile:



- 8.5. It can be seen that very significant increases in the ward's working age population are forecast within the lifetime of the masterplan. The increase in children of pre-school and school age is forecast to rise most sharply in the first half of the plan period. The older cohort of the working age population (50 to 64) and the portion of the population beyond retirement age both continue to rise as overall population increases.
- 8.6. The detailed forecast for population growth (i.e. the additional population given by new development) by age arising from the implementation of the masterplan is as follows:

Population increase								
	2010 population	2010-2012	2013-2017	2018-2022	2023-2027	2028-2033	All Years	Total population in 2033
<b>0-3 years</b>		690	768	462	528	300	2748	
<b>4-10 years</b>		559	645	401	450	272	2327	
<b>11-15 years</b>		286	334	210	234	144	1208	
<b>16-17 years</b>		85	100	64	71	45	364	
<b>18-19 years</b>		161	173	101	118	63	615	
<b>20 - 24 years</b>		866	899	506	601	296	3168	
<b>25 - 29 years</b>		2652	2703	1500	1796	854	9506	
<b>30 - 34 years</b>		2234	2325	1319	1559	780	8218	
<b>35 - 39 years</b>		1363	1435	824	967	496	5085	
<b>40 - 44 years</b>		696	741	430	501	263	2631	
<b>45 - 49 years</b>		410	438	254	297	156	1556	
<b>50 - 54 years</b>		313	329	188	221	112	1163	
<b>55 - 59 years</b>		204	212	121	142	71	750	
<b>60 - 64 years</b>		145	150	85	101	49	530	
<b>65 - 69 years</b>		115	120	68	80	40	422	
<b>70 - 74 years</b>		113	119	68	80	40	419	
<b>75 + years</b>		104	105	57	69	31	366	
<b>Totals</b>		<b>10996</b>	<b>11596</b>	<b>6657</b>	<b>7814</b>	<b>4015</b>	<b>41077</b>	

## 9. ACCESS TO SERVICES

- 9.1. Parts of Stratford and New Town ward are in the worst 10% nationally (Index of Multiple Deprivation). Stratford Metropolitan's high levels of future growth will bring new residents and employees, requiring the delivery of excellent social and community facilities to respond to additional demand and to help integrate new and existing communities.
- 9.2. The growth in population will be accompanied by investment in new and improved services. These will be clustered in mixed use and co-located local facilities to generate welcoming places at the heart of local communities.
- 9.3. Nurseries, schools, health and community centres will provide points of connection and integration within and between Stratford's great neighbourhoods. Careful planning and development of high quality multi-purpose amenities, managed and delivered in innovative ways, can act as a catalyst for change and a signpost to the area's future.
- 9.4. The Stratford Metropolitan Masterplan and other proposals in the area propose provision of:
  - 15 new nurseries
  - Primary schools providing 11 forms of entry
  - Three new secondary schools - Chobham Academy in Stratford City, a new building for the Stratford School on the former Rokeby School site and a new seven form of entry school in the south of the ward.
  - Expansion of the higher and further education offer
  - 23 new GPs and 21 new dentists
  - 2 polyclinics (Chobham and Vicarage Lane)
  - Additional / improved community spaces at Carpenters and Pudding Mill / Sugar House Lane
- 9.5. Full details about existing and proposed service provision is contained in the Community Infrastructure Assessment paper supporting the Stratford Metropolitan Masterplan.

## 10. CULTURAL AND LEISURE OPPORTUNITIES

- 10.1. Stratford City will deliver a range of commercial leisure opportunities such as a cinema, an arts and cultural centre, health and fitness facilities.
- 10.2. The Olympic Park will deliver world class sports, leisure and visitor attractions as part of its legacy. The Stratford Masterplan will integrate these with the regeneration of the existing neighbourhoods through joint planning of services and improved connections.
- 10.3. Stratford Old Town will offer a complementary range of cultural facilities, building on the strong existing cultural presence and new opportunities such as the potential for the Rex Cinema to be developed as music venue.
- 10.4. A new fitness centre is proposed for Stratford Old Town. Elsewhere, sports and fitness facilities will be developed on a neighbourhood basis, where possible as part of mixed community and leisure spaces or as part of the extended school offer.
- 10.5. Further details are contained in the Community Infrastructure Assessment paper supporting the Stratford Metropolitan Masterplan.

## 11. SAFER, GREENER NEWHAM

11.1. Environmental improvements are essential to the Stratford Metropolitan Masterplan. Various improvements to public realm and public spaces; routes through the masterplan area and principles for the development of land have been proposed, and include the following:

- Improved public realm across the whole town centre and within the Carpenters area including a new town centre public square and a covered market square, plus a new public square at Sugar House Lane (approximately 5400sqm in total).
- One new park proposed at Chobham (at approximately 5,287sqm) and an improved park at Carpenters, in addition to the regionally significant Olympic
- Better overlooked streets and spaces, more stable communities and improved access to jobs leading to potential reduction in crime rates.
- Strategy of low residential parking levels and promotion of sustainable forms of travel to minimise the impact of development on climate change.
- Improved walking and cycling routes to encourage movement by these modes and to enhance the quality of journeys.
- Maximisation of densities around transport hubs to create an efficient use of land and encourage sustainable commuting.
- Improvement of historically significant areas in the Broadway and Sugar House Lane to encourage the retention and improvement of historic assets.





[www.newham.gov.uk/stratfordmetropolitan](http://www.newham.gov.uk/stratfordmetropolitan)