

Richmond upon Thames Affordable Workspace Management Plan Guidance Note

1. An Affordable Workspace Management Plan (WMP) is required where an applicant is complying with Policy 25 of the Richmond upon Thames Local Plan (2025) by providing affordable, flexible and/or managed workspace either:
 - Through a lease and managed by an Affordable Workspace Provider (AWP), or
 - Directly managed by the owner of the new development.
2. In exceptional circumstances, where it can be demonstrated robustly that it is not appropriate or feasible to provide affordable workspace on-site in accordance with planning policy, an off-site contribution may be considered as an alternative intervention. This contribution should be linked to existing affordable workspace or the provision of new affordable workspace in another location. In such cases, a WMP is not required.
3. Applicants are strongly advised to contact the council at the pre-application stage of the development process, so the content of the proposed WMP can be discussed prior to the submission of a planning application. The cost of creating the WMP is the responsibility of the applicant.
4. The applicant will be required to submit a draft WMP alongside any planning application. The content of the draft will vary depending on the nature of the proposal, though as a minimum the WMP is required to provide details on the following matters:

4.1. Context

The proposed size of the affordable workspace and the terms on which it will be let. This should include information such as the rent discount, rates and anticipated service charge.

Affordable workspace is considered to have a rent and service charge of less than 80% of comparable local market rates, however market rates will vary according to a range of factors such as location within the borough, the quality and type of stock. As part of a proposal, there will need to be an assessment of local evidence relating to the specific location of the proposal and its target market, with a focus on rents or charges which are accessible for early-stage businesses and justifies the discount that is proposed.

The service charges should be reasonable so as not to offset the overall affordability the tenants of the space. The WMP should verify that rents and service charges are not to rise beyond inflation through the period for which the affordable workspace is secured. The council will expect to see evidence of a break clause within the leases or charging arrangements that would be triggered if it is found that tenants are no longer to be considered suitable end users.

4.2. Workspace Tenancy and Business Support

The types of businesses the affordable workspace will be let to. This should include the nature of the businesses intended to occupy the space and the intended capacity of the space (the number of businesses that could be accommodated).

The business support offer available to tenants of the affordable workspace. This should explain the on-site support that will be delivered to end users and how it will benefit them.

4.3. Existing Workspace

An overview of the existing and proposed workspaces currently in the local area. This should include the proximity from the proposed site, size and cost of each workspace.

4.4. Overall Concept

The overall concept of the development with detail on how the affordable workspace will integrate within other relevant features of the design.

4.5. Building Location / Description

A detailed summary of the building location and building description including access and amenities that will service the affordable workspace. Whether a revaluation of business rates is to be sought for the new affordable workspace.

4.6. Floorplans

All relevant floor plans related to the affordable workspace and overall development. In accordance with Local Plan Policy 25, developments that provide more than 1,000 sqm of employment floorspace, should provide a minimum of 10% of the gross employment floorspace as affordable workspace.

4.7. Specification

The strategy that will be used to develop the workspace, which should include detail for how the fit-out costs of the units will be kept affordable to ensure it does not become prohibitively expensive for prospective occupiers. This should also include the roles and responsibilities of the developer/owner and the affordable workspace provider and/or the end user in fitting out the space.

4.8. Engagement

The strategy employed to ensure the affordable workspace addresses the needs of SMEs and residents of the local community.

4.9. Local Enterprise

Where developers are proposing floorspace that meets specialist sector needs, they should set this out with due regard how business clusters will be developed or retained. In these instances, the Council will work with the developer to identify bespoke approaches to meeting the normal planning obligations where these can demonstrate wider economic, social and place-making benefits.

4.10. Community

The approach to ensure the affordable workspace will engage with the local community. This may include areas identified within the space that can be used to host community and business support events.

4.11. Marketing and Selection Process

The process for letting affordable workspace and for re-letting vacant space before the discount period ends. The WMP should set out the Marketing Strategy for advertising affordable workspace to end users and how any vacant space will be re-let.

4.12. Deliverability

How the affordable workspace will be delivered, this should detail deliverables in a phased approach.

4.13. Timescales

A timescale for each phase of the development, this should also include delivery of the second draft workspace plan. The developer/owner should also include a commitment to the take up of the affordable workspace prior to the letting of other workspace within the development.

4.14. Management structure

The management structure of the affordable workspace including AWP's and/or any other additional stakeholders.

4.15. Reporting

This will detail information the developer/owner will be required to provide to the council on an annual basis, to enable the council to monitor the implementation of the policy. Where an AWP is involved, it will be the responsibility of the developer/owner to collect this information from the AWP. The reporting requirements below (KPIs) may vary based on the nature of the affordable workspace that is provided but may include:

Key performance indicators (KPI)

- i. The number of businesses occupying the affordable workspace.
 - ii. Profile of beneficiaries of the affordable workspace (subject to disclosure by beneficiaries) to include protected characteristics.
 - iii. The number of businesses paying the London Living Wage or above.
 - iv. When the affordable workspace was occupied.
 - v. The amount of vacant space for affordable workspace over the year.
 - vi. The amount of vacant space for affordable workspace at the time of reporting and the strategy for filling the space.
 - vii. The annual rent charged for the market element of the scheme.
 - viii. The annual discount rent charged for the affordable workspace.
 - ix. The cost of the service charge.
5. A finalised WMP will need to have been approved by the council by an agreed point in the development process (this will typically be prior to the commencement of development, but this may vary on a case-by-case basis) and this will be secured by a planning obligation. The developer/owner will be responsible for the delivery and management of the affordable workspace in accordance with the WMP and this will also be secured by a planning obligation.