# Meanwhile Space

In-depth guide

## URBAN

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### Introduction

#### This guide has been commissioned by Welsh Government.

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The guide has two principal audiences:

• firstly, it is written for Welsh Government and local authorities, with the aim of broadening their knowledge base and informing the development of policy/strategy to enable more meanwhile approaches (as well as potentially directly developing their own); and

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 secondly, it is written for the independent sector, from RSLs through to not for profit and private sector organisations, with the aim of helping them to directly develop and deliver meanwhile spaces, likely as intermediaries (see later notes) and potentially sometimes operating some spaces themselves. The guide is not intended for end users or smaller independent landlords – it is too complex for most and will be daunting; the key points for each will be summarised as part of the website developed through the Swansea/ Bridgend pilots with a 'fill in the blanks' approach.

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### About Meanwhile Spaces

'Meanwhile Space' refers to the temporary use of vacant units, usually (though not exclusively) in town/city centres. 'Pop-up' is often also used to describe the same.

The concept is nothing new, but has gained prominence as a tool of regeneration and renewal of urban centres.

The concept of 'easy in/easy out' terms has long been used (notably by the creative industries) as a means of colonising 'leftover' bits of town, where the market essentially operates rationally with less sought-after areas seeing decreased prices and terms of tenure more favourable to tenants.

Such approaches have tended to be led by the independent sector and have generally been 'one-off' approaches rather than part of a more structured, strategic approach.

More recently, a series of initiatives have arisen to create a more structured approach to Meanwhile Uses – in England, the 'Meanwhile Space CIC' has worked with central government on creation of meanwhile spaces, and various other non-profit intermediary bodies have been established to deliver meanwhile spaces. Additionally, there are commercial operators, notably 'Appear Here', that have also entered the market, operating with a high end commercial audience, attracting global brands to occupy spaces temporarily. Whilst meanwhile spaces are also evident in Wales, there was no such coordinated or structured approach, and so two pilot projects (in Swansea and Bridgend) have been established to test the approach, building off previous work by the independent sector and landlords such as Coastal Housing, who pioneered a place-based approach to meanwhile space in Swansea's High Street.

Knowledge levels will vary amongst the above audiences and so the guide is written with the assumption that there is little or no knowledge of developing and operating meanwhile spaces.

The guide has been drawn from direct experience of developing and delivering successful meanwhile spaces, and the two developing pilot projects in Swansea/Bridgend. It also draws upon wider literature on the subject and review of other examples operating elsewhere in the UK.

#### **Thematic links**

The work links into the Welsh Government's Transforming Towns agenda, with its accompanying 'town centre first' message. Additionally, the approach aligns with efforts to support and boost the foundational economy in Wales, encouraging greater local buying and creating a more circular economy.

Welsh Government has previously made capital funds available through its thematic programme to enable a range of improvements to town/city centres – from 1st April 2021 the Transforming Towns placemaking funding from Welsh Government can be used for meanwhile / pop-up initiatives and Welsh Government is keen for local authorities to draw on funding and adopt this approach. Whilst local authorities may create their own spaces, it is likely that the independent sector will create and operate most, perhaps all, of these spaces.

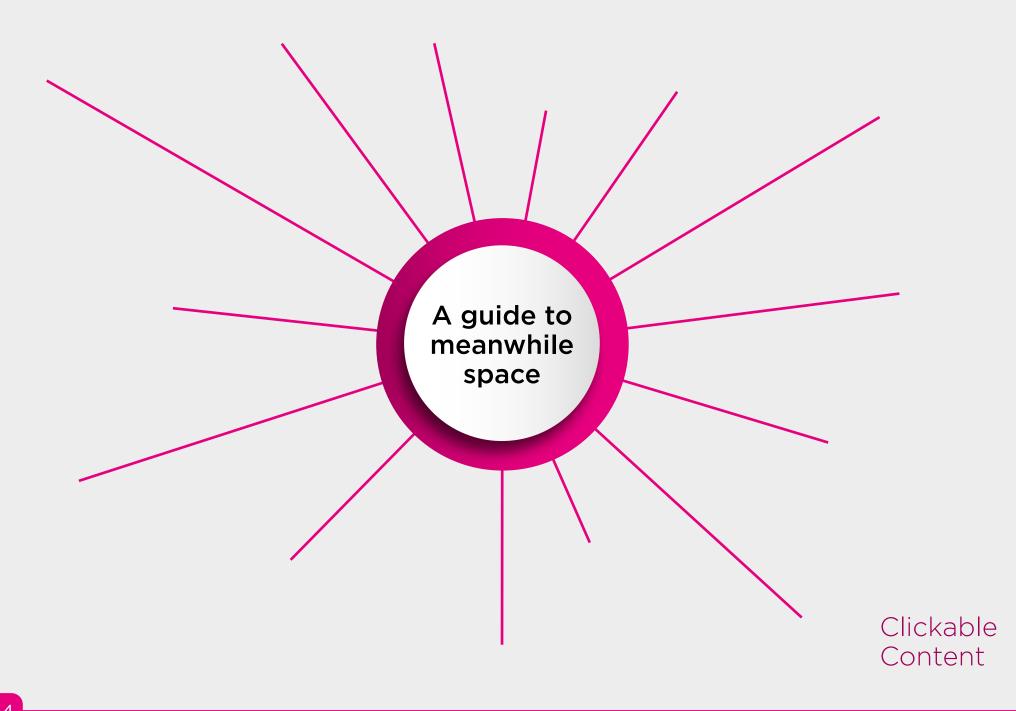
So, local authorities and Welsh Government need to create a culture and 'pump prime' the approach, providing the enabling conditions for it thrive. If sufficient success can be demonstrated through the early phases supported by Welsh and local government, then there is greater scope for the approach to become self-sustaining.

#### Limitations

This guide is provided for convenience to summarise key issues and suggest courses of action. In all instances, operators must satisfy themselves (with independent advice as necessary) that their course of action is legal and in line with current guidance.

The approach to meanwhile spaces is evolving and this document is intended to be fluid, with scope to update it as local authorities develop such approaches and further learning is generated from a broader culture of meanwhile use developing.





### Why do it?

Before beginning, as with any regeneration initiative, you need to establish a clear rationale – why do it?

A useful approach, which aligns to HM Treasury guidance on the use of public funds, is to develop a 'theory of change', which identifies the key issues ('needs') that are driving such initiatives, and the outcomes/impact that are desired. The market is a means of achieving those outcomes.

Through work for Bridgend County Borough Council, an outlined Theory of Change has been developed for a Meanwhile Space project, ..and this is provided in Figure 1 on the right.

There is a modest but slowly growing evidence base that illustrates the impacts of Meanwhile approaches – a summary is provided in Appendix 1.

#### Figure 1 – Theory of change model for meanwhile spaces

Need	Inputs	Activities	Outputs	Outcomes
<ul> <li>Empty retail units and increasing vacancy rates in high streets</li> <li>Growth in online retailing</li> <li>Demand for local products presents opportunities to test new markets</li> <li>Changing lifestyles and use of town centres</li> <li>Regeneration and local development plans present opportunities as well as change in use of buildings</li> </ul>	<ul> <li>Empty buildings/ land</li> <li>Landowners</li> <li>Entrepreneurs</li> <li>Support organisations</li> </ul>	• Pop up shops/ other Meanwhile Space uses	<ul> <li>Number of pop up spaces/ shops</li> <li>Number of people employed/new jobs created</li> <li>New businesses created</li> </ul>	<ul> <li>Increase in local economic activity:</li> <li>Increased footfall</li> <li>Improved dwell time</li> <li>More town centre trading opportunities for small businesses/organisations</li> <li>Increased support for local supply chains</li> <li>Increase in visitor spend</li> <li>Greater use of other amenities</li> <li>Improved flexibility and resilience</li> <li>Increase ability to respond to changing demand</li> <li>Increase in employment</li> <li>Improved perceptions and vibrancy to an area:</li> <li>Improved visitor satisfaction</li> <li>Preventing spiral of decline</li> <li>Improved awareness and profile</li> <li>More prospect of long-term use</li> <li>Financial benefits to landlords:</li> <li>Reducing costs of vacant/unused spaces</li> <li>Business rates savings</li> <li>Reduced potential for additional costs related to vandalism, squatting, disrepair etc</li> <li>Reduced risk</li> </ul>
Assumptions				
Risks Barriers Enablers	<ul> <li>Sufficient market research to determine local need and competition for specific uses</li> <li>Understanding of and ability to engage the local community</li> <li>Ability to engage landlords</li> <li>Ability to navigate potentially complex relationships between multiple stakeholders</li> <li>Levels of Local Authority support and local planning policy restrictions or opportunities</li> <li>Funding to support new business and pay for set up costs - organisations such as Meanwhile Space provide support and funding to fledgling pop ups. Navigating the complexities of public and private funding can be challenging.</li> <li>Meanwhile Leases help reduce risk to landlords by ensuring maintenance/repair costs are recovered and full vacant possession at short notice</li> <li>Empty units are located in an area with some existing footfall</li> <li>Skills and capacity needed to create and manage Meanwhile Spaces</li> <li>Consideration of the pros and cons of different financial models/options (e.g. "no cost, no revenue" or "income and expenditure" project model versus a more ambitious "invest and return" or "enterprise" model)</li> <li>External threats to the economy or unexpected changes in demand or lifestyles</li> </ul>			

### Benefits to landlords

Specific benefits to individual landlords, drawn from the above research base, can be summarised as follows:

- Direct financial benefits; reducing costs of vacant/unused spaces, including rates, insurance, maintenance and other building costs. Removes the costs of 'doing nothing'. In a report produced for the Meanwhile Foundation by TownCentred, case studies showed that a landlord of a city centre property in Cambridge saved £18,000 of business rates over 6 months and a landlord in Hastings saved £4,500 over 6 months (Crew Regeneration Wales, September 2015)
- Reducing potential for additional costs; security of active occupation reduces the risk of vandalism, squatting and disrepair that long-term unused sites have to bear (Crew Regeneration Wales, September 2015)
- Increased prospect of long-term use: Meanwhile use often increases the level of awareness of the property to prospective tenants or owners, particularly if it provides a home for an eyecatching project. It also gives prospective tenants an easier opportunity to access the property and see its potential, while it is in use (SQW Consulting, May 2010). In New South Wales, Australia, premises that have hosted pop-up uses have attracted new commercial leases because of increased footfall and on-street vibrancy (Crew Regeneration Wales, international case studies)
- Reduced risk: through the Meanwhile Lease which ensures maintenance and repair costs are recovered and full vacant possession at short notice
- Helping to prevent a spiral of decline in an area: leaving land empty is costly, not only in terms of security and property taxes, but also because

it increases the risk of crime, and lowers land values nearby. US scholars speak of vacancy as an "epidemic", because empty units have an effect on neighbouring properties: they suggest that a place is not looked after, and signal a spiral of decline (Centre for London 2018)

- Improving perceptions of an area: interviews with shopkeepers and owners near three highprofile meanwhile uses in London found that local businesses saw the value of meanwhile projects in generating activity in the area and valued the social infrastructure or the character that these meanwhile spaces added (Centre for London 2018)
- Enables flexibility and resilience: Meanwhile activity allows developers to leave some flexibility for places to evolve, without pre-empting how lifestyles and demand will change (Centre for London 2018) – whilst there is not yet any evidence base for how this might impact on COVID19 recovery, there are clear implications for that from this evidence
- Increased footfall, activity and vibrancy to an area; meanwhile schemes can extend activity on the high street at lunchtime or into the evening and create a critical mass of traders that draw people in (Centre for London 2018). An evaluation of Pop Brixton (Regeneris 2018) found that the project improved the vitality of the town centre by:
- o supporting local supply chains an average tenant purchases 41% of goods locally;
- o increase in spend visitors spent £5 in town centre for every £10 spent in Pop Brixton;
- o increase in use half of visitors visited other places in the town centre and most visitors use the town centre more because of Pop Brixton; and
- o increased satisfaction improved town centre satisfaction for 60/68 people.

- Economic impact on the local community; the evaluation of Pop Brixton found that the site resulted in 47 businesses, supporting 197 jobs. Onsite turnover was over £18m per annum, resulting in a total value to the economy of over £9m per annum (Regeneris 2018).
- Placemaking impact: through increasing uses and activities, improving sociability and enhancing the satisfaction with the town centre as a visitor destination. The area immediately surrounding Pop Brixton has become more active and safer due to an increase in footfall. This has resulted in improved trading conditions and increased business satisfaction with trading in the town centre. (Regeneris 2018)
- Raising profile and publicity: At Beginspace in Cambridge, the landlord stated that they benefited through good publicity from helping Beginspace, costs and rates being covered and through the fact that the building was occupied and looked after (SQW 2010). Research carried out by the Meanwhile Space project with landlords found that participants confirm that projects with Meanwhile Space have benefited the profile of their organisation amongst the local community (Meanwhile Space, 2019) In Bristol Meanwhile spaces helped raise the profile and increased the attractiveness of the property and local community to future investors and commercial tenants (Crew Regeneration Wales, case studies)
- Supporting wider development: London's Filling Station and Boxpark provided the opportunity for early wins by quickly bringing life and activity to an area before permanent development begins (Arup).

#### **Evaluation**

The desired impacts above are measurable, and the impact of meanwhile spaces should be measured and learning generated.

A simple evaluation framework should be developed for local initiatives, which uses data from end users of meanwhile space and collates learning into a regional (potentially national) data set on meanwhile space in Wales.

> "The value of meanwhile uses of property is well-established in the commercial sector. borne out of a need for maximum value to be extracted from development sites without a permanent use in an increasingly squeezed sector. Temporary uses of vacant property present opportunities not only for financial benefit, but also in terms of fostering innovation, community engagement and place-making. They can help to breathe life into abandoned sites and are viewed by many within the real estate industry as a key antidote to the epidemic of vacant buildings across the country. For landlords with a longer-term view, the promotion of meanwhile uses can also be seen as a kind of "incubator" for burgeoning businesses who could then become ready-made permanent tenants for the very same landlords in the future"

> > Trowers and Hamlins (2018)

### Delivering or enabling?

Whether initiatives are run by the local authority, independent bodies, or a combination of the two, there remains a role for local authorities to develop a clear strategy/policy position on meanwhile spaces to communicate intent, to identify and remove obstacles, and to create a uniformity of approach.

Strategy/policy alone will not lead to the creation of meanwhile spaces – there must be practical activity to drive it – but having a clear approach in place helps to smooth the process, making it more efficient and cheaper to establish and sustain these types of use.

Ultimately, the key consideration is to make the process as easy as possible for everyone.

#### Summary of enabling actions

Key actions that local authorities need to take include:

- make a clear commitment at political level to encouraging meanwhile space as a policy position and ensure this is clearly communicated to department heads from the Chief Executive down so that all necessary departments are aligned with the approach;
- seek to establish uniformity of approach with other local authorities in the region (and beyond);
- recognise that meanwhile space users (and any intermediary bodies) are assisting in contributing towards wider economic and regeneration outcomes – treat them like partners in regeneration, not as commercial operators simply needing to generate income, and remember that for some they may only just be covering their costs (and some may not even do that and will require subsidy if they are to operate);

- have a clear set of outcomes that the policy is intended to achieve to help decision-making and evaluate against these – learn and improve as you go;
- create simple processes for relevant regulatory matters and a requirement for 'fast track' processes where meanwhile spaces need formal permissions (these may have 'sunset clauses' built in to ensure they are not treated as a means of circumventing standard regulatory approaches) – speed of decision making for regulatory matters by local authorities is a key issue to enable meanwhile spaces;
- create a low (or no) cost fee structure for meanwhile space users;
- establish a clear policy position on the treatment of business rates for meanwhile users;
- establish a planning approach that permits shortterm change of user - consider use of Local Development Orders and similar mechanisms to create flexibility in the system;
- establish a small capital fund (such works are eligible under Welsh Government funding for town centres) to support enabling works to make spaces fit for temporary uses; and
- promote the meanwhile scheme to landlords and promote the successes of the approach more generally through existing communication channels;

- create conditions on grant funding to developers and landlords to require them to sign-up to a meanwhile scheme or charter so that if they are unable to find long-term end users then spaces that have received public funding do not remain empty; and
- align business support and similar assistance to help meanwhile users to establish in empty spaces.



### Who will do it?

To create a culture of meanwhile space, there needs to be a body that drives the approach, so an operating model needs to be developed; either delivery can be through the local authority or it can be via one or more independent bodies.

There may be interested intermediaries already in existence with whom local authorities can partner. Alternatively, local authorities may wish to create one or a third party may want to create one.

If an independent intermediary model is developed it can be for profit or not for profit – this guide does not consider the various forms of company or legalities/ logistics of company formation, but there are various sources of assistance and start-up support for creating any kind of business, including Business Wales/Social Business Wales and (for non-profit organisations) local Councils for Voluntary Services.

### There are several advantages of delivery through a local authority, including:

- much of the regulatory burden will come from the local authority itself, and so there is scope to develop a 'corporate' approach;
- the local authority may be the landowner of some vacant properties;
- there are existing insurances, systems, policies and procedures in place and property management and maintenance expertise 'in house'; and
- the local authority can (if it wishes) subsidise revenue costs of spaces – although it may be desirable, income generation is not necessarily essential to cover full running (revenue) costs.

### Some disadvantages of delivery through a local authority are that:

- there is not always an obvious department/ individual(s) or the institutional knowledge/capacity to drive this type of entrepreneurial approach;
- cross-departmental working is still required and not necessarily much easier than it is to get an independent body to deliver and engage with those departments; and
- whilst staff and certain budgets may be in place regardless, if full cost recovery is required it will almost certainly cost more to deliver.

#### Principal advantages of independent delivery are:

- faster decisions, from expenditure to reacting and adapting quickly;
- securing volunteer support is often easier in the independent sector;
- independent operators may find it easier to tap into certain pots of funding that Councils cannot (or would find it difficult to) access; and
- it will be significantly cheaper to deliver in comparison to the Council if all costs are considered.

### Key disadvantages of an independent delivery body are that:

- it is on its own it will not have the wrap around support of multiple departments or the scale and depth of resources of a local authority;
- the liabilities for taking on buildings can be potentially significant in a worst case scenario, which can be out of proportion to the likely modest scale and resources of independent operators;
- the likely small size of the operator may make it difficult for them to secure certain support e.g. a utilities contract;
- even very successful meanwhile spaces may only just cover their costs from earned income, which may make it difficult to establish a viable business plan for an umbrella operator;
- engaging with local authorities from a third party perspective can be an extremely difficult and therefore costly process in terms of administrative time, unless the process is made easy (partly the purpose of this guide); and
- there is far lower resilience to economic shocks as a result of things going wrong – it is unlikely they can sustain losses for long.

#### Creating an intermediary

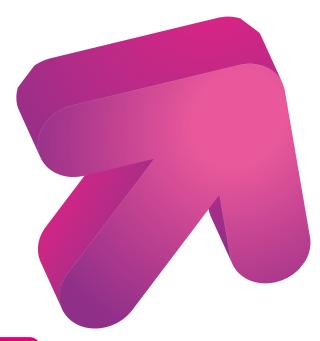
Frequently intermediary bodies will be a charity or not for profit organisation.

If an intermediary is to be created, then it will need a means of generating sufficient income to cover its operating costs. These may be relatively modest, with the principal overhead a salary (potentially part time) to coordinate the work,

It is unlikely that an intermediary can achieve sufficient scale in a small centre without subsidy – there will not be sufficient empty premises in the scheme and sufficient users making use of those spaces to generate a strong enough income stream.

So, it is likely that any intermediary will need to work across multiple centres to generate sufficient scale to be viable.

Reliance on long-term revenue funding for an independent intermediary is not realistic unless that funding comes directly from Government.



#### **Covering costs**

The intermediary has the potential to incur liabilities whilst having modest scope to generate revenue, and so it is essential that the risks are mitigated before the intermediary begins to sign up properties.

There are varying models of revenue, from organisations such as the Meanwhile Space CIC, which initially operated with voluntary effort and grant support (though has moved towards greater income generation from fee charging) to fully commercial organisations, such as 'Appear Here', who operate almost as a meanwhile space estate agent on a fully commercial basis (albeit only feasible due to their presence in large cities with high commercial demand for floorspace and high end commercial brands wanting to access those spaces and able to pay for them at commercial rates).

The intermediary will need: staff to help secure spaces, manage the process of bookings of spaces (not least quality control); insurances; professional fees (legal and accounting); a marketing budget; and will incur general office costs.

It will also have potential liabilities as the responsible body for all spaces where things could potentially go wrong in certain instances and pragmatism may also dictate that it will need to be the name organisation for any utility bills, with costs passed on but liability during fallow periods for venues.

The only means of the intermediary generating income are to charge an administrative fee for use of spaces and/or to receive grant subsidy. The former needs careful thought – it should not equate to the daily charge for rental of a space, as the landlord is providing their venue at no cost. Costs to the intermediary will be considerably higher for frequent turnover in spaces, whereas for spaces where a single end user takes it for a longer period of time (e.g. for several months) the costs will be more modest. So, a tariff of charges is likely required, with very shortterm users paying relatively high daily fees (perhaps £80 - £100 a day), whereas longer-term users are likely to incur much lower fees, which may be a one-off charge, or could be charged on an ongoing basis, but at far lower equivalent daily rates.

Charging on a building by building basis at modest levels is unlikely to generate significant revenue streams, and so the intermediary will need to achieve scale in order to be commercially viable in its own right.

As a not for profit (which is the recommended model) it will not have any shareholders and so will only need to cover its operating costs, with some surplus required to allow for unforeseen future contingencies.

Unless government (Welsh, local or perhaps town/ community level) directly funds it, it is not realistic to expect longer-term revenue support from public funding sources when establishing a business plan for the intermediary – it is exceptionally hard to secure and very rare.

Similarly, it is likely that that there will be long-term requirement for full grant funding for any capital works required to make buildings safe to enter for meanwhile end users.

### Meanwhile leases

A key consideration for short-term use of space is that a legal agreement is required even for short-term lets, both to protect the landlord and the tenant.

This can create significant cost in relation to the limited period of occupation and modest turnover that many pop-ups can generate during that time.

#### Standardised meanwhile leases

As part of the pilot projects in Swansea and Bridgend to establish structures for pop-up spaces, template meanwhile leases have been developed, which are designed to equally protect the landlord and tenant.

Copies of these template leases are enclosed with this guide along with a standard Heads of Terms agreement that can be used as a pro forma to begin discussions (though given the short duration of meanwhile uses landlords and prospective tenants may move straight to agreeing a lease).

Two templates have been developed – the first for a direct agreement with a landlord by an intermediary and/or end user, the second as the sub-license that an intermediary would in turn grant to end users.

The latter should form part of the schedule for the intermediary lease with the landlord, to give the landlord confidence in the form of any sub-let agreements and (provided the same form of sublicense is used each time) to remove the need to revert to the landlord each time a new meanwhile user is secured for a space. Whilst every effort has been made to reduce the scope for variation, there are some elements that will vary from property to property, and so each template has a series of alternate clauses for use in differing circumstances. These are also included with this guide.

It may not be possible to eliminate legal fees for the parties, but the intent is to reduce these to the minimum possible.

If legal fees have to be entered into for the creation of bespoke agreements on a frequent basis then the likelihood is that the process will become too costly to be viable, so the leases will need to be offered with minimal or no scope for variation, based on a 'take it or leave it' approach.

#### Landlord and Tenant Act 1954

The Landlord and Tenant Act 1954 creates the right for any business that occupies a building for over 6 months to stay on the premises. Landlords will want to retain flexibility to allow for longer-term lettings, and so meanwhile uses will generally formally opt out of this Act.

This is common (not just for meanwhile uses) and is simply done with a standard proforma, which is also provided with the standardised legal agreements. The pro forma which can be signed in front of a solicitor for a small fee and take immediate effect, or it can be signed without witnesses but then requires a 14 day period to elapse before the lease takes effect. Both the intermediary and the end tenant will need to do this for each space. This means that the intermediary and end users do not have security of tenure and must vacate the premises when the meanwhile lease terminates (either through notice being served or on a defined end date).

For extremely short-term users (e.g. a one or two day hire for example), they would not likely be given a license but instead the intermediary would likely operate the space, paying utilities and insurances, and would instead have a hire agreement with the day users based on simple terms and conditions.

They would likely not be given keys in these instances but instead let in and then the premises locked up at the end of the day by a nominated keyholder with a requirement to remove all items at the end of their hire or forfeit them. In these instances, they would likely not be permitted to physically alter the space in any significant manner.

#### Service charges

Meanwhile users need to clarify if there are service charges and agree a fee for these, which should form part of the lease and fixed for the duration of the lease term. Not all buildings will have them, and there may be certain aspects (e.g. lifts) that the meanwhile user does not need, so there is room for negotiation.



#### **Permitted alterations**

The standard lease allows for basic alterations to be carried out without need for landlord permission.

These are likely to be primarily cosmetic and/or related to compliance matters – repairing what already exists.

Stud partitions that divide space are likely to be permissible also, though this should ideally be agreed with the landlord and done in a manner that allows for their easy removal without altering any other aspects of the building's physical structure.

When putting in temporary stud partitions, ensure that they take account of access to circulation spaces and fire escapes.

Structural alterations to buildings should be avoided - they are likely to be prohibitively expensive for meanwhile uses.

#### Schedule of condition

The standard meanwhile lease prepared essentially commits the intermediary (and by extension end user) to return buildings in the condition in which they found them.

Whilst some spaces may be in poor condition, it should always be assumed that the intermediary/ end users, will need to tidy the space, removing alterations they have made and any refuse/stock/equipment, and cleaning it to a reasonable standard prior to vacating. This needs to be factored into business planning income and expenditure forecasting.

If the colour scheme of internal spaces is to be changed, note that the landlord may require the building to be repainted before handing it back.

Discuss this with the landlord before leaving – they may wish to retain certain adaptations (for example if you have upgraded the toilets they may want to retain that as it may make the building more lettable in the longer-term). If the landlord agrees to certain changes remaining, confirm this with a written summary note and ask them to agree that in writing (an exchange of emails or letters should suffice).

Protect yourself by taking photos before taking over a space that you agree with the landlord are a fair reflection of the space before you took it on (some landlords or their agents may do this themselves as standard).

These can be appended to the lease so that there is an objective record to compare with when the space is vacated. Intermediaries should also take photos of its condition on vacating also to protect against potential spurious claims of damage that they did not cause.

The same should be done with end users of spaces, though if they are extremely short term users this may not always be practical, in these cases an inspection by the intermediary should suffice.

### **Business rates**

Business rates are problematic for meanwhile uses - the system is not set up for temporary, swift uses where end users of space may be operating in high value premises rent free, but where the rates remain tied to the rateable value (based on open market rental valuations) and could be extremely high in comparison to the occupier's likely turnover levels.

There are some concessions, for example charitable and not for profit users should receive 80% mandatory rate relief, and (subject to the end use) such users can claim a further discretionary relief of the balance of 20% - this is at the discretion of the local authority, and usually granted unless the end use is commercial in nature and likely to generate more significant turnover (a not for profit organisation running a bar that is open to the general public for example).

An incentive for landlords to enter spaces into meanwhile schemes and therefore to bring their empty spaces into productive short-term use, is the removal of empty business rates, which (after a short period of becoming vacant where it is zero) will be payable for most non-listed properties, albeit at lower levels than full business rates.

For large national/multi-national landlords these costs per building will be relatively modest compared to their overall turnover, but can accumulate if multiple properties are empty. For smaller (likely local) landlords, these costs can be more appreciable as a proportion of their overall turnover.

In either case there is some financial incentive to put spaces into a meanwhile scheme.

An intermediary taking space would likely become liable for business rates if it is for profit, but should qualify for full rates relief if it is a not for profit organisation given that its core purpose is local economic regeneration, which will directly support the aims of the local authority through a meanwhile space policy.

This is essential as without it, the landlord gains but the intermediary is saddled with a significant potential liability for properties whilst it seeks to fill them. This needs clarity and agreement with the local authority prior to the intermediary beginning to operate.

In principle, local authorities are able to waive business rates at their discretion for more than just charitable/ not for profit users, but there are costs to the authority each time it does so as it remains liable for paying a proportion of those rates back to Welsh Government.

There is not a strong argument for 'lost opportunity' cost for local authorities by waiving rates for meanwhile occupiers, as without that incentive the space would likely not have been occupied by the meanwhile users in the first place and the meanwhile lease format ensures that flexibility is maintained to secure longer-term users through commercial leases.

Where the end-user sub-licensing from an intermediary is a not for profit organisation, then in turn they should also be eligible for rates relief (though again this will depend on local policy from the local authority and whether they are selling on a commercial basis, so it is important to clarify this).

Where the end user is a for profit organisation, it is less clear whether rate relief would be granted to them as end users – it should be assumed it will not be unless it is clear otherwise. Clear policy needs to be generated that clarifies whether or not end users operating meanwhile spaces for profit, but sub-letting/licensing from a not for profit intermediary, are required to pay business rates.

Presently, the intermediary will have to enter into a case by case discussion with the local authority ratings officer for each individual building – clearly that creates time and cost for all parties, and a more standardised system is needed. However, this is likely to require more joined up working and intervention also from Welsh Government to enable the process.

A dedicated study into this, with recommendations for how the business rates system might better accommodate meanwhile uses would be a worthwhile undertaking for Welsh Government.

For end users, there is scope for the intermediary to make the requirement to pay rates their responsibility and there will then be a cost/benefit assessment for those end users to make. For short-term uses, an apportioned payment for a few months may be quite modest even if full rates are payable.

Similarly, if the end user is an established business and/ or a start-up with a very strong business case then this may not be an issue. However, for smaller boutique businesses (which can add character to urban centres) this could price some out of taking spaces where they could otherwise add significant value.

For smaller units, the first £6,000 of rates is presently waived under small business rate relief, so this may reduce liabilities to a modest level anyway. However, it gets more complex if a larger space with high rateable value is used for meanwhile uses e.g. a former department store, large restaurant/pub/nightclub, which are likely to carry relatively high rateable values. Large empty building will likely be highly visible and eyesores if left empty. So, mechanisms need to be found to enable these spaces to come back into short-term, productive use. But presently this is more problematic if the end user is a for profit entity.

There may be scope to sub-divide spaces and treat each unit separately (thereby reducing the rateable value of each unit to more modest or no cost) but this may not be feasible/permissible in certain cases and in others may not be desirable (see 'Unit Nineteen' case study).

The key consideration for local authorities and Welsh Government is to create a standardised system, but one that does not create an easy loophole for avoiding business rates in the longer-term for commercially viable operators. This could though be mitigated via sunset clauses / fixed term agreements for end users, though this would need to exempt intermediaries set up for the sole purpose of delivering meanwhile spaces.

This is a policy area in its own right, and linked to a broader need to reform the business rates system in Wales, which is beyond the scope of the current pilot projects or this guide to resolve.

For the purposes of this guide, local authorities and intermediaries/end users need to be aware of this as a more complex issue and one that requires negotiation and agreement prior to developing meanwhile space approaches.



### Planning and licensing

There are certain changes of use that are permitted without need for planning permission – the relevant section from the Town and Country Planning Act is detailed in Appendix 2.

Many meanwhile uses will likely be able to proceed under existing permissible changes as they will likely be A1 or A3 in nature.

However, town centres are changing rapidly from a combination of factors, and there are some uses desirable to create mixed use and the outcomes outlined previously, that are not accommodated under the existing planning rules.

Notably, changes of use to community/arts/ educational uses (covered within the D1/D2 classes) and also for use for office functions e.g. coworking spaces (covered under the B1 use class) are not currently permitted for short-term changes of use without planning permission.

Planning permission is not generally a swift process, and also landlords (and local authorities) will not necessarily want changes of use agreed as it could hinder the longer-term prospects for the building/area. However, it creates a problem for swift short-term uses.

Planning permission can be applied for and granted retrospectively, but this is clearly problematic for local authorities who are also the planning regulatory body, and it is also not ideal for independent operators – an approach of it being better to ask forgiveness than permission is not advisable in this context. Planning permission is not a criminal matter for change of use, but local authorities can still pursue it. In the absence of other measures, the solution is to work within existing permitted use classes and fit end users to spaces with classifications that match, but further flexibility would be useful.

#### Local Development Orders

Local Development Orders (LDOs) grant permissions for certain types of development within a specified area without the need for planning applications, subject to certain conditions and limitations.

It is at the discretion of local authorities in Wales whether they wish to implement LDOs. Carmarthenshire County Council are experimenting with them at the time of writing.

In a report (2014) prepared for Welsh Government by Peter Brett Associates, the following positive and negative aspects of LDOs for local authorities were summarised:



#### Positives

- Planning control should be easier, cheaper and faster, as developers do not need to make planning applications, pay application fees and wait for a decision.
- It should also be less risky, as a development which conforms to the LDO is certain to be allowed.
- The resulting benefits in the first instance accrue to the developer. Through the operation of market forces they will be shared with landowners, business occupiers and also consumers – who gain indirectly as the economy produces more, cheaper or better goods and services.
- There may also be cost savings in local authorities, as less effort and money are expended in processing planning applications. The resulting benefits would accrue to the community generally through lower rates / taxes, or else more effective administration if the resources saved are put to better uses.

#### Negatives

- A 'democratic deficit', in which elected representatives and local communities alike would lose control over development.
- Increased pressure on local authorities, with heavier workloads and increased complexity.
- Damage to local authority finances, as LDOs would reduce income from planning fees and give rise to extra costs in preparation and administration.

### Relaxation of planning classification rules post-COVID19

As part of the post-Covid recovery measures, Welsh Government has temporarily relaxed planning rules to permit more varied change of use classes without need for planning permission.

Although intended as a short-term measure, these proposals are ideally suited to developing meanwhile space uses and should serve as a model to be retained for meanwhile uses in the longer-term, with sunset clauses built in to require change of use after a set period. Local authorities should work with Welsh Government to explore this in the interim.

#### Signage

Signage requires planning permission within certain parameters.

Unlike planning use classification, this can be a criminal matter if rules are breached. The simple solution is that end-users have in their lease a requirement to operate within permitted rules for signage, otherwise they are responsible for securing planning permission for other signage.

Appendix 3 provides a summary of the circumstances under which signage can be placed without need for planning permission.

However, this should still be checked to ensure that it aligns with local planning requirements.

Further information the planning requirements for signage can be found here:

https://www.legislation.gov.uk/uksi/1992/666/ contents/made Exterior lighting is also restricted under planning rules and so will need careful consideration and adherence to planning rules. Again, the simplest solution is to pass responsibility for this on to the end user via the meanwhile sub-license.

In addition to the wider legislation there may be further restrictions on signage for buildings located in conservation areas and where buildings are listed.

#### Canopies

Related to the above, bringing life to external spaces is generally a positive consideration for the wider social and economic environment, and on-street provisions to keep patrons dry and to encourage them to linger are to be encouraged.

Local authorities should develop simple, quick and easy permissions for installation of canopies, the cost of which can be relatively modest and therefore feasible and appropriate for meanwhile uses.

Meanwhile users will need to consider not just cost of installation but also removal should the landlord not wish such features to be retained.

Again, there will be certain exceptions, for example in Conservation Areas, where this is less straightforward.





#### Licensing

If the premises is going to serve alcohol or provide late night refreshment (the supply of food or drink between 11pm and 5am) then it will require appropriate licensing.

### A license is also required for regulated entertainment, which includes:

- performance of a play;
- exhibition of a film;
- indoor sporting events;
- boxing or wrestling entertainment;
- performance of live music;
- playing of recorded music; and
- performance of dance.

The local authority will have a licensing department and contact should be made early to discuss proposals with them - it is not a swift process.

Note that charging is also related to size of premises, which means a pop-up user paying low costs in a large empty venue could end up paying the top rate due to the size of the venue even if their turnover will not warrant it. This will also likely require discussion (via the licensing department) with the police. Be aware of cumulative impact policies, which restrict alcohol licensing in certain areas, and consider the proximity of residential properties to the venue. There are mitigating actions that can help secure licenses, including agreeing to earlier cessation of sales.

Local authorities carry a register of all licensed premises – if a premises is already licensed then it is feasible to have the existing license holder to sign over the license to the new occupant, which can save significant time and cost (though any variation will still require the local authority's permission). The new occupant will require a Designated Premises Supervisor (DPS) for this to be possible.

A DPS will also be required for any new applications for licenses. A list of accredited providers for DPS training can be found here:

#### https://www.gov.uk/government/publications/ accredited-personal-licence-qualification-providers/ accredited-personal-licence-qualification-providers

#### **TENs**

A Temporary Event Notice (TEN) can be applied for via the local authority to authorise a licensable activity for small scale (499 people or fewer, including any staff) one-off events.

TENs can also be used to authorise events that are beyond the terms of existing permises licenses and also to provide authorisation for events where there is no existing premises license, though they do not exempt any existing license holder.

There are limitations on the number of TENs that can be applied for within a calendar year per venue, so it is not a long-term or permanent option, but may suit short-term uses of space.

### Any TEN must meet the 4 licensing objectives, namely:

- the prevention of crime and disorder;
- public safety;
- the prevention of public nuisance;
- the protection of children from harm.

Police and/or environmental health officers can prevent a TEN event if licensing objectives are breached.

TENs require 10 clear days' notice (there is provision for short-notice TENs of 5 days or more notice but this should be used only in exceptional circumstances). The notice process is straightforward with a small fee payable.

The local authority will be able to advise on the process for applying for a TENs license.

#### Live and recorded music licensing

The performance of recorded and live music almost certainly requires a separate license in addition to the above – there are some exceptions but it should be assumed that this is required.

These licenses are now combined – for details visit: **www.pplprs.co.uk** 

Although sometimes simple, the process is not always a straightforward one and can be time consuming to resolve.

#### **Trading standard**

If the premises is to serve food it will need to register with the local authority's trading standards department. This is also not always a swift process, but food traders setting up may be permitted to proceed on the basis of their application pending.

Even a short-term pop-up will still need a 'scores on the doors' food hygiene rating. Some food producers may already have these accreditations, producing food in their homes or other sites, and just requiring a point of sale, which is more flexible.

#### **Pavement licenses**

Unless the freehold curtilage of the building includes a forecourt area (this will be shown on the title deeds if it does) then placing tables/chairs and other items on the street will require permission from the landowner of the public realm.

The landowner in these cases likely to be the local authority (though there are instances where such spaces are privately owned as part of larger developments). Bringing life to the street with tables and chairs is generally a positive contribution to the public realm, and so local authorities should presume to approve these, provided that pedestrian access and safety are maintained.

### Difficulties in establishing external land ownership

Note that for former town houses and similar properties where there once would have been a front garden that has long since disappeared, there can be areas of land where it is unclear who owns the land.

Often, the former 'front garden' area no longer appears on the deeds for the property freehold, but may also not be owned or formally adopted by the local authority or any other party (a Land Registry search will determine this). In such instances, the land may never have been formally claimed.

If the area has been maintained by a party then it may be deemed that they are therefore responsible for it, but this is an area requiring legal input and that should be explored before such areas are used.

Given the short duration and low cost parameters required for meanwhile spaces, this is likely not going to be cost effective to pursue (though it may still be worthwhile for the local authority to resolve it for longer-term purposes).

#### Parklets

Placing of tables/chairs on parklets or similar on parking spaces at the roadside should further be encouraged as an extension of 'pop-up' urbanism that meanwhile spaces relate to.

This can be a time consuming and difficult issue to resolve with highways departments.

In some part of the USA design guides for parklet construction have been developed to encourage aesthetically pleasing developments that confirm to highways safety requirements and remain demountable structures that can be removed if needed.

Whilst there is a clear link, detailed consideration of parklets (or other interventions in the public realm) is beyond the scope of this guide. However, Welsh Government and local authorities should adopt the same guidance and clear policy positions on these as in combination with meanwhile uses they offer means of positively transforming places.



### Insurances

The intermediary will require public liability insurance. All end-users will also require public liability insurances and copies of their insurance cover should be requested by the intermediary.

The level of cover required for end users will vary based on their use and will need to be negotiated by them directly with insurers.

The intermediary can pass that requirement on to end users – there are many and varied policies available on the market, including at very low premium levels for short-term users.

Occasionally, very short-term insurances can be hard to find, and it may be that end users will have



It is for the end user to determine whether it opts to insure for contents or other insurances and to meet those costs, though if the landlord has left certain moveable items behind that the meanwhile user may use then these should be insured as the lease will likely require like for like replacement if they are damaged.

#### **Buildings insurance**

The building will need insurance. The landlord will generally insure their own building but may require either a contribution from the intermediary and/or the end users, which is often referred to as an 'insurance rent' – this is separate to the main rental fee, and essentially is a contribution towards the landlord's

insurance costs for the building.

Alternatively, some landlords may require the tenant to insure the building, if the entire premises is to be occupied by a meanwhile user.

#### **Security measures**

A condition of insurances will be the maintenance of reasonable security measures, and in certain instances these may be specific e.g. use of certain types of lock and/or shutters.

The intermediary should satisfy itself of who else may be a keyholder for the property – if there are past tenants, it may be wise to replace locks to external doors.

If there are shutters/alarms in situ already, then these can form part of the initial compliance works, and should be maintained.

Security measures may range from particular locks, to shutters, to alarms or cameras, with costs varying considerably depending on the area to be covered, age of building, and items required.

If these are not already in situ, installing them may push capital costs too high for a short-term user.

Much will depend on the nature of the end use and what items may be stored in the premises e.g. value of stock (as a general rule, unless there is a robust safe, cash should not be kept overnight in a meanwhile venue).

### Finding suitable properties

Begin by auditing what is empty and where – creation of a map that can be easily updated, with landlord details and providing planning classifications and rateable value will help to create an instant picture.

There may be scope to create an interactive map that makes continual updating of these details easier with GIS data held by local authorities.

#### This should seek to map:

- where empty properties are;
- who owns them (with contact details of the owner and/or agents);
- their current planning classification;
- their current rateable value; and
- (if possible) how long they have been vacant for.

For an independent intermediary, this would represent a significant amount of time and therefore cost, but this is likely all data that local authorities already hold, and is just a case of making it easy to access by mapping it.

In the pilot project areas this data was not collated or translated into visual map form, so the presumption is that this will be the case in other areas. This should not be an onerous or overly costly task for the local authority and should be undertaken.

#### Securing properties for meanwhile use

The first step is to look for anything that is owned by central or local government that is presently empty without any tenant lined up.

The next target is property owned by any other publicly funded bodies, notably RSLs, but there may be others including universities and potentially trusts or foundations and perhaps (rarely) certain large third sector groups.

Whilst there is pressure on all groups to recover value, they are not answerable to shareholders with wider definitions of return on investment.

Then there is property owned by the private sector, which can vary widely from owners of individual properties to those with large property portfolios. Often, owners will be absentee landlords with no local ties, which can create difficulties in building relationships. Begin with the easiest wins – local owners that you know, and nationals with easy to contact agents.

Approaches can be made to landlords directly and/ or to managing agents/estate agents. Agents derive their fees from commission on leases completed/ sales agreed, and there is no financial benefit for them with meanwhile uses. However, initial piloting of the meanwhile space proposition has demonstrated that some agents are very open to the idea, mainly as they can save their clients' money by reducing or removing empty rates fees. Some may see meanwhile spaces in terms of 'lost opportunity' cost by providing any kind of lease for free, even a short-term one, with no commission – not everyone will be convinced, so focus on those where you think you can get a 'win', and use other means to tackle other problem empty properties.

As with attracting end users, the process needs to be made as simple as possible for landlords. The key principles need to be clearly and concisely articulated - they need to know what's in it for them (see 'Why do it?' section) and the process of signing up a space needs to be quick and low (or no) cost for them.

In most instances the meanwhile operator, whether intermediary or direct end user, will want a 'peppercorn' rent, essentially a free rent (literally this means a single peppercorn if demanded).

The standard meanwhile lease we have developed and the operating model is predicated on this, but there may be instances for commercial users with strong business plans to negotiate a hybrid arrangement at lower than market rental in return for reduced security of tenure.

#### When there are other interested parties

General expressions of interest should not prevent meanwhile uses going ahead as they frequently do not materialise into lease agreements.

There are examples in the pilot areas where meanwhile use has been avoided but a succession of expressions of interest have not materialised and lengthy periods of time have elapsed with buildings vacant.

Even where Heads of Terms are agreed for a longerterm user, it is often a matter of months before a lease can be concluded and agreed, during which time a productive use could have been made of the space. This is a little more sensitive, but the meanwhile lease coupled with the removal of any agreements from the Landlord and Tenant Act should still provide sufficient flexibility.

#### **Listed buildings**

Listed buildings can be problematic for meanwhile use - if they are in good condition, with the spaces suited to meanwhile use already largely outfitted and just cosmetic/basic compliance are repairs required, then they may be worthwhile pursuing for meanwhile uses.

However, the costs and restrictions on refitting (even to basic standards) listed buildings will price many out of the market.

Similarly, take care to ensure that any non-listed buildings in conservation areas will not turn into highly costly ventures due to restrictions on reuse.

#### **Derelict buildings**

As a general rule, any derelict buildings are unlikely to be suited to meanwhile uses - the costs to bring them into useable use will almost certainly far outweigh short term returns (whether financial or other) from meanwhile uses and other mechanisms should be explored for those buildings.

#### Location remains important

Whilst it may seem overly fussy when spaces are to be made available for free or very low cost to end users, location still matters for meanwhile spaces. End users still have costs they must recover – staffing, stock, marketing, insurances, utilities etc. and for many footfall will remain important if they are to have a chance of operating successfully.

Empty spaces in out of the way places, with low footfall, will be just as difficult to make work for most meanwhile users as anyone else. That does not mean they can't be used, rather that the type of use needs to be considered – a premises in a low footfall area might suit conversion for use as office space for example, but not for retail or café use, which require strong footfall to survive.

Whilst locations need to be considered from a viability perspective of the end user, avoid zoning – as a general rule it is not a good idea in urban centres, and meanwhile uses are no different.

Subject to certain restrictions (usually related to licensable activities and noise generation) a mixed use approach to town is preferable and meanwhile spaces can help to promote this.

As with any use of space, the surroundings need to be considered – if there is residential above or nearby then meanwhile uses that involve late night use and/or that generate significant noise will likely not be viable.

#### Accessibility

As with any other space, disability access should be facilitated wherever possible.

Whilst most meanwhile spaces are former shop or café/restaurant/nightclub spaces that have flat street level access and should therefore be reasonably accessible, not all will necessarily be so.

Sometimes, the measures required to make spaces more disabled accessible are modest, but adaptations may be costly and this could make some spaces unviable for meanwhile use.

#### Complementarity/competition

As with other 'pop-up' interventions such as street markets, there can sometimes be opposition expressed to it creating 'unfair competition'. The growing evidence base shows the positive impact of meanwhile spaces on the wider economy, which can be drawn on and that evidence base will become more established as the meanwhile movement grows further.

Ultimately, these are commercial transactions – the market has suppressed the value of commercial units/ slowed the pipeline of potential users with sufficient purchasing power to meet rents. Whilst it requires some pump priming by government to establish a culture and approach, this is still essentially a market solution to empty spaces.

Existing commercial operators will have some security of tenure and pay a premium for it.

### Compliance Work

Buildings may have been empty for some time and their condition can vary. Even relatively recently vacated premises in otherwise good cosmetic condition, should still be checked over for safety purposes by qualified professionals.

#### Funding

Along with legal costs, compliance work costs to make spaces safe to use can be one of the most significant barriers to establishing meanwhile spaces – the costs can quickly exceed a level that is feasible to recover from a short-term commercial use and certainly not for non-commercial users.

A small grants fund should be created by each local authority, which will need to be provided at a 100% intervention rate, with the sole purpose of making buildings suitable for occupation by meanwhile users. Welsh Government funds can be used for this purpose and in the pilot in Swansea an element of the TRI funds was ring fenced to cover compliance costs.

The budget can be treated on a 'call-off' basis and if necessary can be capped both in overall grant pot size, as well as in terms of individual grant allowances per building if necessary.

It is essential that the application process be made as simple and as fast as possible.

#### Electrics

Even recently vacated buildings should have an electrical safety test performed by a qualified professional.

Some vacant buildings may have been built to shell and never occupied – in these instances, it is not uncommon to find they do not even have an electrical distribution board, which can push up costs for temporary uses. If there is a power board, often it will not have ring mains connected, or lights and again costs need to be considered.

Buildings do not necessarily need to be rewired – when tested it may be found that the board and RCDs (trip switches) are fit for purpose, beyond this it may be feasible to disconnect certain ring mains from use if they fail safety tests and are unlikely to be needed, just repairing those that are essential.

Alternatively, all ring mains might be disconnected and new surface mounted (appropriately protected) lines put in – a qualified electrician will need to advise on what is and is not permissible under building regulations. In principle though buildings with condemned electrics can still be brought back into temporary use.

Remember to include hand dryers in toilets (if there are any) in electrical testing and recommissioning works. When considering whether to reinstate these or provide towels, there are conflicting views on which is more environmentally sustainable – disposable towels create waste, reusable towels require frequent washing, whereas hand dryers are electricity hungry.

#### Lifts/escalators

If a larger space is to be used for meanwhile purposes and the building contains escalators or lifts these need to be tested and certified if they are to be used.

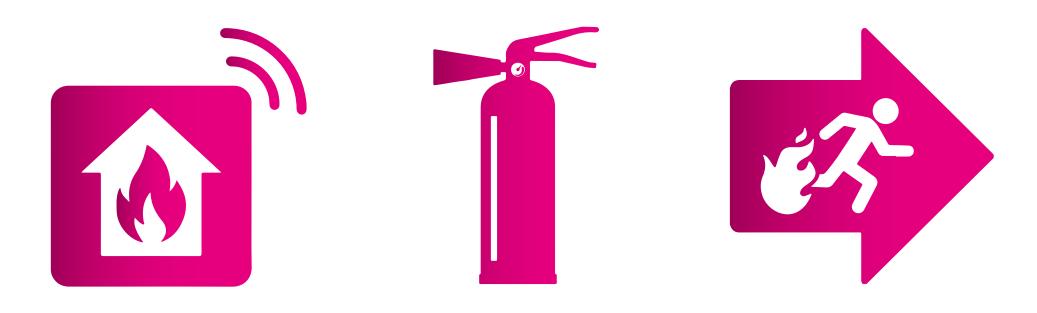
Meanwhile projects may be able to proceed with these elements, in which case they can usually be cheaply decommissioned and blocked off but consider the impact of a lack of disabled accessibility to upper floors (including mezzanines) if lifts are to be decommissioned.

#### **PAT testing**

Some buildings may have fixtures and fittings left behind that can be used by the meanwhile user – if so then any electrical items should be tested before use. If you do not need them find out whether there's scope to store them elsewhere (potentially on site if large enough and perhaps off site). The landlord will likely want to minimise their costs, so you may have to arrange for this.

For any electrical items left in the venue for your use, they should be PAT tested for safety, and then for items regularly moved once annually.

Whilst most manuals can now be found online, you should ask the landlord if they have copies of any manuals for items left behind e.g. tills.



#### **Fire alarms**

Fire alarms should be tested and recommissioned if not in working order. Not all premises may have them if they have been empty for some time, or if they are facilities built to shell.

Find out whether the alarms are connected to wider systems, for example a ground floor unit alarm may be connected to the alarm for upper floors if they are used for accommodation/office use so that separate users are alerted of a fire below them. This is important for communicating testing and to alert others of any false alarms, as well as ensuring that real alarms have been heeded by other parties.

Fire alarms should be tested regularly by staff and a log kept of any tests, and they should be tested at least once annually be a qualified professional with test certificates retained.

#### Firefighting equipment and signage

Firefighting equipment and appropriate signage (both for extinguishers and emergency exit points) will need to be provided even for very short-term uses.

A central store of portable firefighting signage and equipment, which should be regularly maintained by a qualified professional, could be established for very short-term uses. For end users operating in spaces for long periods then they should provide their own.

#### Fire risk assessment

A fire risk assessment should be carried out – advice is available from the fire service and there are professional firms that can conduct them. The more elaborate the building, the more complex this may be.

#### **Fire exits**

Remember that if the nature of use of the building changes (e.g. a retail space is turned into a performance venue) the existing number of fire exits may not be adequate as they will have been designed for much lower numbers of people being in situ at any one time in a retail environment compared to a performance where a larger crowd may be packed into a small space.

Creation of new fire exits is likely to be prohibitively expensive for meanwhile uses, and so it is likely to be more the case that the use that the space is put to is tailored to the fire capacity numbers of the venue.

Large spaces might be sub-divided into several smaller meanwhile units using stud partitions – if so, then consult with fire officers as this will likely alter fire escape routes and affect the fire risk assessments.

#### Ducting

Some premises will have air conditioning ducting and/ or extraction. Meanwhile uses can proceed in principle without these being recommissioned, but in some instances these may be desirable (especially if the air conditioning systems double for providing heating for the space).

This can be costly and sometimes alternative portable or surface mounted (e.g. hot air units above exterior entrances) systems for heating the building may be more feasible for short-term users. These will require risk assessment for fire and safety if they are not integral to the building fabric.

A thorough clean of any ducting and a legionella test is advisable if the facilities have not been maintained for some time and are to be brought back into use for meanwhile uses.



#### Plumbing

Most venues that have had previous occupiers are likely to have some form of plumbing for toilets (heating is usually electric in most commercial premises but there may be water based radiators also) and that will need testing and repairing to make it fit for purpose.

Buildings outfitted to shell or condemned may never have had any plumbing installed/have had fixtures removed, and so there may be a requirement to install basic toilets. There are portable options, but these are far from ideal. Even buildings built to shell should have water mains and sewerage connections, if nothing else.

When considering toilet facilities, work with the existing layout of the building – it is unlikely to be cost effective to try and move toilets to different locations due to the need to dig new sewers. It is also very unlikely that a landlord will consent to that degree of remodelling of their premises for a meanwhile use.

Consider that disabled welfare facilities may need incorporating/upgrading.

As with electricity, there may be short-term quick fixes that do not require the full refurbishment of plumbing systems – they must be sanitary, but if there is an over provision of toilets then a small number may be refurbished with stud walling screening other areas off from access for example.

#### Gas

If the building is to be used for cooking using gas (and for smaller properties potentially for heating) then the gas supply will also need testing.

Even if not in use, any gas supply should be checked to ensure it has been capped and that the integrity of pipes/hoses and connections/taps to supply cookers etc. are secure and fit for purpose.



#### **Reconnecting utilities**

If the building has been in relative recent use then utility supplies may still be connected and so it is a case of taking meter readings and getting the bills transferred from the landlord to the intermediary or end user.

The intermediary will likely remain the bill payer to reduce the need for continual reallocation of names on the contracts with utility providers. Those costs can be passed on to the end user.

Some buildings may have high specifications for their electric supplies, for example spaces that previously had kitchens for food production, which may require a high electricity draw.

The meanwhile use may not require that amount of power but the standing charges can be significant and landlords may not want the facilities decommissioned or downgraded to preserve longer-term flexibility.

So, be clear on potential overhead costs, particularly for larger venues where charges can be significant even when no electricity is being drawn.

Find out the locations of the electric, gas and (if there is one – not all buildings will have them fitted) water meters. Clarify that they solely supply the property being used for meanwhile space (sometimes multiple floors may be fed by one meter).

If other spaces are being fed by one or more of the meters clarify who the bill payer will be and how costs are to be apportioned between you and other tenants. Get this in writing – the meanwhile lease should allow for this.

Meanwhile spaces will generally want to keep costs down, so ensure that cisterns are as efficient as possible with water use, that any dripping taps are repaired, and that piping is inspected with any slow drips/leaks identified and fixed as these can swiftly raise costs with metred supplies. Meter readings need to be taken and the bills transferred (likely to the intermediary with costs passed on to end users for simplicity). Find out whether supplies have been decommissioned as reconnection of utilities can create significant costs.

At the end of the term, there are often costly disconnection charges and so there should be an agreement with the landlord that the intermediary would take a final meter reading and hand back responsibility for paying utilities to the landlord upon termination of the meanwhile lease.

#### Telephone / broadband

Securing short-term contracts for telephone/broadband is very difficult – there is frequently a lengthy lead in time to get spaces connected, and the minimum contract terms are often over a year.

There are also sometimes difficulties for small start-up organisations to pass utility company credit scores for taking out a contract in the first place.

If spaces have telephone/broadband already then it may be a relatively simple case of transferring the bill payer responsibility, as with other utilities – in that case it may be the intermediary that is the bill payer for ease as with other utilities.

If there is no phone/broadband socket or it has been disconnected then if there is a longer meanwhile lease it may be worthwhile getting it reconnected, but if the lease is much shorter, this may not be feasible and so the space may link into town centre Wi-Fi (if this is present and possible) and/or make use of mobile hot spots. There are various solutions on the market of varying cost and quality.

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Some buildings may have CCTV installed. Whether this is required by end users will depend on the use. If there are high value items stored on site and/or risk of theft, then this may be desirable.

If the venue will serve alcohol then this may be a requirement of the licensing authority before issuing a license. The licensing authority will, via the police, be able to comment on the number of cameras required. This can be costly to install or recommission, so the intermediary/end users should be certain it is needed.

There are GDPR requirements, including appropriate signage, for the operation of CCTV and so any such systems that are recommissioned or installed will require training for staff in their appropriate use under data protection regulations.

#### Hazardous materials

The most common concern related to building fabric in terms of materials is asbestos. The landlord should be able to provide assurance in terms of asbestos or any other hazardous substance in the building. Some smaller operators may not have this information.

It should be assumed that asbestos could be present in any building built or refurbished prior to the year 2000 (for further information visit the Health and Safety Executive website).

#### **Doors and windows**

Doors and windows need to be secure and not present a hazard to users - closing mechanisms need to be inspected on doors so that they cannot easily slam, and windows should be of a type that do not easily shatter into shards if broken.

Internal doors for fire purposes need to be maintained and any fire-related automatic closing mechanisms tested as part of fire alarm test procedures.

Areas that should not be accessible should be fitted with locks, or to reduce costs for short-term projects with surface mounted hasp and padlocks.

Ensure that there are keys for all doors (and if relevant lockable windows) with at least one duplicate for each kept offsite.

#### **Compliance certification**

Before moving into a venue ask for any copies of compliance certificates e.g. electrical and gas safety certificates.

These may not exist or be relevant if properties have been vacant for some time, but for properties recently vacated may still prove useful. Retain copies of all certification undertaken for the intermediary/end user.

### End users



Creating an intermediary will streamline the process and allow for a more strategic approach, but it can only open the door to properties – there still needs to be a sufficient pipeline of initiatives that can then come in and make use of the empty spaces.

This will vary depending on local areas, the degree of entrepreneurial activity locally, and the nature of the wider local economy (areas with large numbers of existing independent local businesses may already have created a lot of opportunities, areas where the commercial centres are dominated by national chains may have fewer).

Whilst intermediaries cannot realistically create all end uses for meanwhile spaces, it may be that a small number of uses can be directly created by the intermediary body.

### When considering the nature of end-users they will likely fall into three broad categories:

- ultra-short-term users wanting spaces for a day or weekend who may be one-off users or may be repeat users but where use patterns will be quite volatile;
- short-term users unlikely to develop commercially viable end uses but who can bring interest to spaces e.g. arts users, small scale commercial users, users where it is linked to a project with a start and end date, where they will take spaces but only where they are free or very low cost and on continual easy in/easy out terms; and
- users with potential for longer-term commercial viability who will want to take spaces for the full meanwhile term available (subject to them retaining the ability to have easy out clauses if they find it does not work for them).

The principal issue is to make it easy for end users to find and access spaces at the lowest cost and risk to them as possible.

#### Types of end user

A key benefit of meanwhile spaces is in supporting commerce directly by providing spaces for start-ups and for the growth of existing businesses.

Businesses starting up and growing, as well as those not looking to run commercial space but new to the idea of working from a premises, may require support. Much of that support already exists both locally and nationally through various agencies, such as Business Wales/Social Business Wales, local authorities, local councils for voluntary services, and similar, so it is likely a case of signposting for the most part.

There may be certain gaps though, and local authorities should seek to identify those gaps and provide support – this may be as simple as some free guidance materials on basic health and safety or risk assessment measures for example.

Again, making this as easy as possible for the end user creates greater likelihood of stronger and more impactful take-up of spaces.

End users do not necessarily have to be viable longterm commercial users. There is considerable value to be secured from temporary users who might not generate much (or any) commercial turnover but that create interest and variance in town centre offers. In turn, such end users can improve perceptions, drive footfall and improve dwell time, with the knock on effect of enhancing scope for increased spend in other nearby commercial premises. Arts users are a good example of this – galleries will struggle to make money in Wales, but done well they can create unique additions to enhance sense of place and drive footfall and improve perceptions for day visitors as well as tourists who in turn may then spend elsewhere.

They still also fulfil the function of reducing negative aspects of empty spaces that create perceptions of blight and also still give the landlord all the benefits that a commercial user would bring in the short-term.

However, in their own right (with some exceptions) these types of uses are often not commercially viable without subsidy, even when rent/rates/legal costs are largely reduced or entirely removed for them.

If these types of uses are desired (and they can be highly impactful) then further provisions for revenue subsidy are required to enable them to cover their revenue costs.

Consider creating meanwhile use end-user guides/ support materials, such as how to make the most of the space – this is less about the content covered in this guide, and more about how those end users actually design, develop, deliver and market their own individual activities.

#### **Quality control**

Clearly, making spaces free (or very low cost) opens the door to less viable uses and also the lower end of the market.

Whilst in some cases this may still be desirable, some quality control is required, and this is where an intermediary will require some staffing – much of the process can be automated for signing up and agreeing to terms, making payments and similar, but this element requires human decision making.

That brings with it staffing cost implications for the intermediary (see previous section on intermediaries).



#### Key organisational risks from end users

Whilst there are legal agreements in place, in reality the intermediary will not likely have the resources of time or finance to enter into legal battles, and will only do so as a last resort.

#### Key organisational risks from end users include:

- disappearing without notice;
- losing / not handing back some or all keys;
- making duplicate keys without letting you know;
- providing access to their space to third parties through further sub-lets (unless you can strongly justify a need for this it should not be permitted);
- storing hazardous materials and/or creating fire hazards (e.g. storage of wastepaper/cardboard where it provides fuel for any fires);
- undertaking dangerous or risky behaviours;
- breaching planning and/or licensing or other regulatory rules (which may include signage);
- creating conflict with nearby properties and other building tenants;
- not paying agreed administrative charges, including utilities or services charges;
- not paying business rates (if applicable);
- inappropriate use of Wi-Fi (content and/or quantity of download)
- damaging the property; and
- leaving spaces messy, including leaving refuse, not cleaning before vacating or leaving items behind when they vacate.

The list is not exhaustive and individual organisational risk assessments should be conducted.

In many of these instances the legal risks may fall on the end user (e.g. for breaching regulatory rules) there is still reputational risk to the intermediary, which needs to be seen as a safe option by landlords and a trusted partner by local authorities.

#### So, steps to mitigate against the risks posed by end users creating difficulties for the intermediary should include:

- filter out things you don't want before you get asked, so include FAQs on a website and certain pass/fail criteria through a standard expression of interest process;
- do some due diligence on end users before allocating spaces to them – ask for key details through the standard pro forma, including what they want to use the space for and track record, and ask for references (remember that some will be start-ups so may not have directly relevant referees to their proposed venture, but they can be asked to provide character referees);
- ask for copies of their insurances and check expiry dates and levels of cover;
- signpost them to relevant support agencies (insofar as these exist) for things like business support, but also fire risk assessment and similar;
- remember that many may be inexperienced so do not assume that they will have properly read/ understood agreements they have signed up to - consider offering to talk them through the requirements and perhaps have a summary of key points;







- asking for a refundable deposit / bond from users

   this should be sufficient to cover basic repairs
   to damaged items (e.g. sockets, holes in walls,
   plumbing items), removal and disposal of refuse/left
   items, and changes of locks if keys are not returned;
- keeping in regular contact with users of space encourage a regular dialogue and let them know you will be in touch periodically to check in and that you have an 'open door' policy if they have a problem (you want to know sooner rather than later);
- provide them with an emergency out of hours contact so you can be appraised of any urgent issues straight away – provide some parameters of what this should and should not be used for and ensure that it is monitored, this may be challenging if the intermediary is small in scale;

- know what their expected opening times are and pay attention to whether they are open when you'd expect them to be (note that many meanwhile users will not have the resources to open all day, every day);
- consider operating spot checks;
- if the intermediary is responsible for providing the broadband and Wi-Fi then a user agreement should be put in place with end users to prevent abuse and passwords should be changed with each change of end user;
- remind end users when their allotted time is coming to an end - in so doing, ensure you adhere to notice periods in any sub-license you have issued and that notices are issued correctly and do not rely on verbal means of giving notice; and

• if some do seriously break the terms and conditions have a one strike and out rule.

Whilst it is important to protect the intermediary and landlord, remember that many end users of meanwhile space will be resource poor (in terms of time and/or money), and potentially they will be quite inexperienced.

So, it is important not to create an overly bureaucratic process – you are trying to remove barriers and make it as easy as possible for them whilst giving yourself a reasonable degree of protection.



#### **Moveable items**

Many new users of space may be fillers, with low likelihood of permanently occupying space, or they may have modest resources. There are further measures that can assist the movement to grow, for example investing in portable high quality furnishings and demountable finishes that can be hired and used temporarily and then taken away and stored. These can carry a hire fee though it would need to be modest.

The intermediary may also consider having recommended suppliers for works, furniture and design of spaces to further push a quality of finish. The works will inevitably be temporary and less finished than permanent spaces, but a good eye for design can transform spaces at low cost in a manner where a customer would struggle to know the difference. There should be an aspiration toward quality of finish, though this should not be used too heavy handedly – you want people in spaces with as few barriers for them as possible.

#### **Key holders**

Intermediaries will be key holders for various properties and responsible for securing them. The sub-license for spaces will give some security of tenure to the users and pass on security requirements but they will still need to conduct their business without the intermediary being able to access their space whenever it wants.

However, the intermediary is ultimately responsible, and so this should only provide a small amount of leeway to the end user (if they want greater exclusivity and privacy of use then they can enter into a lease with the landlord directly, which is more expensive and carries risk but offers much stronger terms of tenure).

For some spaces, the uses will be more volatile with change of users weekly, perhaps even daily in some instances – in these cases the intermediary will likely remain as the sole keyholder but will need to factor in cost recovery for someone to open up/close up daily. If the user is not a keyholder then provisions need to be made for what to do should they need to leave the venue temporarily between opening and closing times.

A system of logging keys in and out and the number of copies for each premises will be required for the intermediary to maintain security and satisfy insurance requirements. Any duplicate keys made should be logged for each premises and all keys labelled clearly. There should be at least one duplicate of every front door key.

### Other considerations

#### **Refuse and recycling**

Find out how and when refuse is collected and what types of refuse are taken. There may be keypad access or padlock access to communal bin stores – ensure that these are noted.

#### Caretakers/maintenance companies

If the building is part of a larger complex, ensure that the name and contact details of any maintenance firms/caretakers are noted.

### As with any building have the maintenance as well as out of hours emergency contacts:

- electrics;
- fire alarms;
- security alarms;
- plumbing (water and gas);
- locksmiths;
- CCTV;
- AV and lighting (if relevant);
- (if relevant) lift and/or escalator company, including any wheelchair lifts; and
- general maintenance for other emergency repairs.

#### Other emergency contacts

Clarify who the out of hours contact is for neighbouring properties and any premises that may occupy the same building. Have an emergency out of hours contact for the landlord and/or their managing agents.



### Additional recommendations

There are some rates and planning issues yet to be resolved but these likely need Welsh Government enabling support.

#### In short, these should relate to:

- automatic rates waivers for meanwhile uses with sunset clause and review for any for profit users of spaces, but only if delivered through a public body or not for profit (no exemption if done directly with landlord); and
- planning dispensation that under 6 months does not require planning for change of use class, or that there is a very swift temporary fast track approval process where permission is granted for a set period of time and then reverts back to the prior use unless permission given to make permanent
   for the former should be automatic ability to change within set parameters, or for the letter there should be a presumption to approve unless there are strong compelling reasons not to. The current COVID19 emergency planning measures out for consultation presently are very close to the provisions required here.









### Case studies



### Unit Nineteen







Unit Nineteen transformed a disused nightclub in Little Wind Street, Swansea into a pop-up events space and offered a range of engaging and vibrant activities to new audiences.

Wind Street is a part of the city that is very heavily focused on a pub and club late night economy, catering to a specific demographic. The landlord wanted to broaden the offer and change perceptions of the area, which was supported by the City Centre Partnership and Swansea BID.

Unit Nineteen was conceived as a popup multi-purpose space with a series of socially enterprising creative initiatives focused on attracting new audiences and changing perceptions of the area. 'Street Food Friday' ran monthly and brought an array of delicious Welsh street food (with options for vegans and gluten free diets), live music and a popup bar to Little Wind Street from 5pm – 9:30pm. It was sponsored by Swansea BID and City & County of Swansea as part of their work to enhance Swansea's early evening economy.

An indoor park was created for two weeks to promote Natural Resources Wales' work on the ecological and social benefits of green spaces (particularly in urban areas). The park hosted wellbeing & yoga classes, a conference on green infrastructure, and free play sessions for children.

The project, initially designed for a short 3-month run, was so successful that it ended up running for almost 2 years, featuring live music events, mini-festivals, workshops, launches and classes, sip and sketch painting sessions, exhibitions, and a range of other activities.

The venue was incredibly popular, attracting large crowds every month, with the Street Food Friday events particularly attracting significant interest. The majority of attendees were people dropping in after work and families – people who would not usually visit the City Centre in the early evening.

Feedback was overwhelmingly positive, with people feeling that it met a real need in Swansea and lots of demand expressed for more activities and events. It also featured in the Guardian newspaper featuring innovative projects that were trialing 'pop-up' activities across the UK:





https://www.theguardian.com/ sustainable-business/gallery/2017/ jun/03/cities-transformed-derelicturban-spaces-businesses-communityspaces-arts-housing

The venue was also used by the BBC for its fringe events when Swansea hosted the Biggest Weekend.

The aim for the landlord was to market a problem empty space to the market for a long-term use, and the project succeeded in doing that with a longterm user signing up.

www.unitnineteen.co.uk

### **Oriel Science**

Swansea University wanted to bring the wonders of Science to the public through exhibitions on a scientific theme, to inspire visitors to think and explore how science and technology impact their daily lives, and to create a presence for an off-centre campus based University in the city centre.

The aim was to create 'Oriel Science' - a public-facing exhibition and outreach teaching space showcasing exhibitions based on research from Swansea University's College of Science and on wider scientific themes of relevance to the daily lives of the public. Its core business being to host rolling exhibitions delivering a wide ranging outreach programmes to schools and the public.

The intended format was to take an empty retail unit in Swansea city centre as a 'meanwhile use' or 'pop-up' project. The target was to deliver the initiative in time to follow immediately on from the British Science Festival, which in 2016 was being hosted in Swansea by the University, which dictated a swift delivery in a 'meanwhile' format.









An empty shop unit was secured, key local partners including the local authority and business improvement district, were engaged and sponsorship was raised. In this instance, the University covered revenue costs from its pre-existing outreach staffing.

The initial exhibit, with the theme of 'time', included a cross section mock-up of the large hadron collider, interactive displays, and included a DeLorean car and Dr Who's Tardis. The exhibit was free to the public. The exhibition, opened by George Abbey formerly of NASA, was a huge success. It attracted large visitor numbers (several thousand in one night in the lead up to Christmas), school visits, and raised awareness of the University and its work and visitor feedback is very good. Neighbouring cafes benefited from the footfall and increased dwell time of Oriel Science visitors also.

The project has now been made permanent in a nearby empty unit, moving to a commercial lease arrangement.

www.orielscience.co.uk

# The Lab Haverfordwest

The Lab Haverfordwest was an initiative of Confluence – a creative collaboration between PLANED, spacetocreate, iDeA Architects, Pembrokeshire County Council and Transition Haverfordwest, which aimed to devise and test new and imaginative ways of working in Haverfordwest that would bring the community together to inspire and shape the process of urban planning, design and regeneration.

With support from the Arts Council of Wales and Pembrokeshire County Council, Confluence orchestrated a series of experimental and creative projects over 3 years, bringing stakeholders together in new ways, inspired by exemplar practice in the arts and urban design, planning and regeneration, with the aim of reimagining the town and:

developing innovative models of working together;

creatively engaging the community with regeneration opportunities associated with the river;

helping people think differently about Haverfordwest; and

driving change in the individual and collective practices of the partners involved.

The project made use of an empty space in the former Ocky Whites department store, as well as running activities at the Old Gaol and in what is now HaverHub (see separate case study) plus other activities in the town. Activities included workshops and talks, open space meetings, model and print making, exhibitions, film screenings, dance rehearsals, puppetry, school visits, boat building and 'yarn bombing'.

The project also offered small cash prizes along with support for the best creative ideas from local people to enhance the town through community action.

The project's impacts included: driving footfall, generating 7,000 attendances at more than 70 events; raising the profile of the town, attracting interest from artists, arts organisations and regeneration professionals from across the UK; supported the local creative foundational economy with 90% of the individual artists living and working in Haverfordwest/West Wales; and creating legacy with various ongoing projects that have continued after the project concluded.





# Haverhub



Begun in 2017 Haverhub secured the Grade II listed old post office in Haverfordwest. Although an integral part of Haverfordwest, many local people had no idea of the scale of the site, with a large sorting office, courtyard and depot to the rear stretching to the riverside. Largely abandoned since the 1980s, the building had gradually fallen into disrepair. The vision was to create a familyfriendly, collaborative-minded venue and so an initially small team was joined by a host of creative, forward-thinking local people who wanted to help shape the project and share their ideas. Volunteers, termed 'HaverHelpers', removed old furniture and emptied the site, and artists contributed pieces to decorate the space. A program of community events took shape and a launch event was held featuring local live music and caterers, and backed by patron Jerome Flynn (Game of Thrones), who's initial support helped kickstart Haverhub's journey. The launch received strong reviews, and the space has grown since.

Since 2017, the small volunteer-led team has secured funding from various organisations on both a regional and national level to improve the site and equipment, including funding from Welsh Government's Transforming Towns funding and through its Community Facilities Programme.

www.haverhub.org.uk

# Creative Bubble



Creative Bubble is a joint UWTSD and Swansea BID initiative. In 2013, Swansea BID approached UWTSD with a proposal outlining how the two organisations could work together to:

- increase student footfall & engagement in the City Centre;
- impact upon Swansea's cultural offer;
- support student entrepreneurs (keeping them in Swansea); and
- encourage students to engage with local businesses.

Swansea BID is a private sector led and managed limited by guarantee company

who have been elected by the 870 plus Swansea City Centre businesses and organisations in three democratic ballots since 2006. They seek to make the Commercial Hub of the Swansea Bay City Regions a better place to shop, visit, stay, study and do business with the main objective being to improve and grow the economy and vibrancy of the area.

Creative Bubble launched in June 2013. It is based in a retail unit in Cradock Street and is a safe space for students to try out their project ideas. To date, the shop has hosted pop-up shops, exhibitions, fundraisers, networking events, premieres, performances and talks. In 2018-19 over 300 students engaged with Creative Bubble and ran meaningful projects in the space. It has facilitated the indentification of student and graduate start-ups and in turn, provided support to enhance their sustainability.

Since conception, working closely with the UWTSD Enterprise team, it has also engaged with numerous businesses – especially the Pizza with a Pro initiative (business owners and entrepreneurs share their experiences with the students). This has led to many internships and placements. Businesses

have also used the students as focus groups to share new projects ideas.

Students have added vibrancy to existing promotional activities in Swansea – in partnership with Swansea BID, City & County of Swansea and other organisations. In 2019, 300 students were directly involved in running their own shop-based activities with 38 different projects over 180 days and 3,500 people visited the shop. Since launch, over 12,000 visitors have been to the shop

www.uwtsd.ac.uk/creative-bubble

# Exposure Gallery and Elyslum Artist Studios

## In 1999, a pop-up art gallery – the Lounge – was established on Swansea's High Street.

Coastal Housing (then Swansea Housing Association) were in the process of beginning a major High Street redevelopment by starting to buy up the buildings there, but it was a complex land package to assemble, resulting in some spaces unviable for long-term lets that were bought sat idle whilst remaining buildings were purchased.

The idea, driven by an arts graduate of Swansea Metropolitan University (now UWTSD) – was to create a gallery for recent graduates, to give them their first place to exhibit and to start building their CV outside University.

The Lounge Gallery was a great success, and later moved around the corner to College Street – taking over another long-term vacant shop space to create the Exposure Gallery, where it delivered a further range of great exhibitions featuring local artists as well as starting to showcase touring exhibits.

Eventually the project split to form a community arts element and a gallery function. The latter went on to become Elysium Gallery and Studios, which has developed to become one of the most exciting and vibrant cultural spaces in Swansea, operating on a commercial basis as a social enterprise and continuing to create strong creative arts impacts.

### www.elysiumgallery.com



# Appendix 1 – Meanwhile space impacts

### Source document

Meanwhile Spaces in Wales – CREW Regeneration Wales, September 2015

### Benefits to landlords/wider impact

- Pop up retail worth £2.3bn to the UK economy, up 12.3% on last year (Lobel 2015)
- Brings life and activity to an area before development begins
- In some cases, it can bring or renew visitor interest and increased footfall (see NSW, Australia case study).
- Property or landowners usually incur costs from vacant or unused space, whether it's business rates, insurance, maintenance or security costs or the loss of income from untenanted sites. One of the key benefits of meanwhile use for owners and leaseholders is that it reduces these costs, normally at very low risk and in a minimal time frame.
- Typical owner / leaseholder benefits include the security of active occupation of premises and reduce the risks of vandalism, squatting and disrepair that long-term unused sites have to bear. As with traditional tenancies, insurance, bills and other running costs are usually fronted by the meanwhile use occupier along with business rate responsibilities (many Meanwhile uses are eligible for business rate relief). In a report produced for the Meanwhile Foundation by TownCentred, case studies showed that a landlord of a city centre property in Cambridge saved £18,000 of business rates over 6 months and a landlord in Hastings saved £4,500 over 6 months.

### http://goo.gl/W7HfsJ

- Meanwhile use also increases the prospect of the property being brought back into more permanent use, offering prospective tenants an opportunity to view the potential and increasing awareness of the area, property or site which is being used. This is particularly significant for retail spaces.
- Main benefits to landlords:
  - o security of active occupation
- o cost reduction;
- o increased prosect of long-term use; and
- o building restoration.

### Source document

Meanwhile Project, SQW consulting – benefits to landlords

- Flexible response to short term opportunities
- Together with the 'opportunity cost' of the lost income stream from the property being out of use, it means that there is nearly always a very real cost to 'doing nothing'. The core advantage of a meanwhile use for property owners (or the leaseholders letting out the space) is that it can remove some of the costs of 'doing nothing' with a relatively simple process that is also designed to limit any risks to the owners.
- The security of active occupation By having an active occupier in a property or using a space, the building will continue to be maintained in good repair and it will actively discourage vandalism (or even squatting), which can be a real risk to vacant premises, particularly if left unused over the longer term.

- Lower costs during vacant periods During most meanwhile uses, utility bills, security and insurance costs will be covered by the occupiers, providing direct savings to the owner/leaseholder. They can also save money by not having to pay empty property business rates as the responsibility for business rates passes to the tenant and many meanwhile uses are eligible for business rate relief. In our case studies, the landlord of the city centre property in Cambridge saved £18,000 of business rates over 6 months, whereas the landlord in Hastings saved £4,500 over 6 months.
- Increased prospect of future commercial use
- Meanwhile use often increases the level of awareness of the property to prospective tenants or owners, particularly if it provides a home for an eye-catching project. It also gives prospective tenants an easier opportunity to access the property and see its potential, while it is in use. This is particularly advantageous for retail and leisure spaces, where profile is a key issue for tenants.
- Reduced risk through the Meanwhile Lease (ensures maintenance/repair costs are recovered and full vacant possession at short notice)
- There are also sometimes commercial occupiers who are interested in such spaces, which obviously increases the potential for landlords to make profits out of such arrangements as the occupiers are profit-making, although this represents a small proportion of meanwhile use today.

### Source document

Meanwhile in London: Making Use of London's Empty Spaces, Nicholas Bosetti, Tom Colthorpe, Centre for London 2018

### Benefits to landlords/wider impact

- The opportunity value of most London meanwhile activities is positive, because leaving land empty is costly, not only in terms of security and property taxes,<sup>8</sup> but also because it increases the risk of crime<sup>9</sup> and lowers land values nearby.<sup>10</sup>
   Indeed, US scholars speak of vacancy as an "epidemic", because empty units have an effect on neighbouring properties: they suggest that a place is not looked after, and signal a spiral of decline.
- Time-limited interventions can create stimuli that change perceptions of an area and strengthen local economies.
- We surveyed shopkeepers and owners near three high-profile meanwhile uses to investigate whether these benefits were felt in the city's streets. Local businesses saw the value of meanwhile projects in generating activity in the area – although only a few with a broad clientele (convenience stores) felt a direct benefit in terms of revenue. Interviewees also valued the social infrastructure or the character that these meanwhile spaces added, even if they did not visit them personally
- These meanwhile schemes can extend activity on the high street at lunchtime or into the evening, and create a critical mass of traders that draw people in
- Meanwhile activity allows developers to leave some flexibility for places to evolve, without pre-empting how lifestyles and demand will change
- Meanwhile use brings another form of resilience, by softening the process of change. Short- and medium-term projects can help mitigate the negative impacts of regeneration projects on businesses, which often lose clientele as places change – though the evidence to date is only anecdotal:
- changing the image of an area

• Landowners also cited positive examples of the effect that meanwhile uses had on placemaking, while other benefits they saw included trying out tenants, improving safety, and creating a sense of community.

### Source document

Pop Brixton Evaluation, Regeneris, Jan 2018

### Benefits to landlords/wider impact

- Improving the vitality of the town centre:
  - o Average tenant purchases 41% of good locally
  - Visitors spend £5 in town centre for every £10 spent in Pop
  - o Half of Pop visitors visit other places in the town centre
  - Pop has improved town centre satisfaction for 60/68 people
  - o Most visitors use town centre more because of Pop
- More people use the town centre since Pop opened two years ago, due to an increased variety of things to do (including Pop) and general improvements to the town centre.
- Economic impact
  - o 47 businesses supporting 197 jobs
  - o Onsite turnover of over £18m pa
  - o Total value to the economy of over £9m pa
- Placemaking impact The research has provided some evidence of the positive placemaking impact of Pop Brixton - through increasing uses and activities in the town centre, improving sociability and enhancing the impact of and satisfaction with the town centre as a visitor destination the area immediately surrounding
- Pop Brixton has become more active and safer due to an increase in footfall. This has resulted in improved trading conditions and increased business satisfaction with trading in the town centre.
- Traders also suggest the area is now better connected to the rest of the town centre, given the increased footfall from the station to Pop Brixton. This is partly reflected in findings from

visitor surveys, with over half planning to visit other places in the town centre, suggesting that Pop has become a destination integrated into wider town centre visits. This indicates that Pop has improved access and linkages from the immediate area to the town centre, specially important at a time where closure of the arches has resulted in a loss of footfall on Station Road.

Economic additionality - the delivery of the project has helped to animate and activate a new part of the town centre, adding critical mass to existing food and drink activities and enhancing the supply of commercial space locally.

Note this report also contains a lot of detail on the wider social/community impact of the project.

### Source document

### SQW, Meanwhile Use Business Case and Learning Points, May 2010

- There is also evidence of benefits from meanwhile uses accruing to the wider community, neighbouring properties, future generations and society more generally. These benefits fall into a number of categories:
  - Maintaining vibrancy bringing an empty property back into use can help to maintain levels of activity on a street, including the number of pedestrians, which can have a direct benefit to neighbouring shops and offices.
  - Improving visual attractiveness refurbishing or reusing premises or land usually results in improving its aesthetic appeal, benefiting the quality of life for local residents. As one council officer confirms:

- Attracting visitors and investors a new use, particularly if it is retail, leisure or cultural, can be quite eye-catching and can raise the profile of the premises or site itself, bringing new visitors to that place and even investors. Sometimes a meanwhile use can accelerate the search for a new commercial user for a building.
- Preventing area blight or decline where a concentration of premises fall out of use, the collective impact on an area can be quite serious, sometimes attracting crime and vandalism. Maintaining active use can deter problems like this and help to manage areas that have suffered in the recession, until more permanent solutions can be found.
- Making community services more accessible

   many of the community groups that take up meanwhile use are providing services e.g. learning, debt advice, counselling, business start-up support to their local community and such use can allow them to provide these services in more accessible places. This can raise the profile and take up of their services.
- Strengthening the third sector providing cheap and low commitment space for small local groups can provide a boost for the local third sector, helping to unlock local innovation and creativity and enabling the development and growth of community groups. The opportunities that are developed can also help to strengthen working relationships and local partnerships between third sector, public sector and private sector.
- Promoting wildlife and green space temporary building sites can represent a surprising asset for local wildlife as well as open green space, making for more attractive spaces.

Benefits to the Landlord (specific case studies):

- The landlord stated that they benefited through good publicity from helping Beginspace, costs and rates being covered and through the fact that the building was occupied and looked after. (Beginspace Cambridge case study)
- The local council also stated that the appearance of the town has been improved as the centre has replaced an empty shop and that in the long term the centre can add to the tourism offer and the sense of community in the area. The landlord stated that, along with supporting the community, rent paid by the centre did provide a small income to him. (Scarborough Maritime Heritage Centre)

#### Source document

Meanwhile Space, 10 years in practice, 2019

- Savings from business rates is an incentive for meanwhile uses which is of significance, especially for landlords. A similar analysis for the four different space size categories was applied, this time looking at Meanwhile Space records for estimated rates saved (calculations include three months rates holiday after occupation). Shows economic profit from rates' savings, normalised for sq foot per day. This creates a comparative measure across the four categories. It is observed that small-medium and small spaces give the highest returns from rates' savings
- The online survey of landlords and partners did not return a substantial number of replies, therefore. the discussion here is mostly an indication of the experience these key stakeholders have had throughout their collaboration with Meanwhile Space. In total, four collaborators have responded and three of them represent local authorities. Namely, the opinions presented here mainly represent one type of landlord and Meanwhile Space's engagement mostly with the public sector rather than the private. Similar to the case for tenants, the survey was asking participants to evaluate their collaboration with Meanwhile Space on a scale from 1 to 5, where 5 was the highest score for an excellent experience / performance. The questions or criteria included the following:
  - o (Q1) "The Meanwhile Space project has increased the value of my property";
- o (Q2) "Meanwhile Space is trustworthy";
- o (Q3) "Meanwhile Space deliver their promises";
- (Q4) "Working with Meanwhile Space has helped my organisation save money";
- (Q5) "Working with Meanwhile Space has helped my organisation raise its profile in a positive way among the local community";
- o (Q6) "We would recommend Meanwhile Space to other landlords";
- o (Q7) "Working with Meanwhile Space is something we would do again".

The survey also included open-ended questions for further comments, feedback and clarifications.

• Results: Participants value Meanwhile Space's trustworthy ethos, with all of them giving the highest score of 5 for Q2. It follows that Q3 on delivery of promises is also positively rated, at 50% on each of the highest scores (4 and 5). The same percentages stand for Q5, where participants confirm that projects with Meanwhile Space have benefited the profile of their organisation amongst the local community. As discussed, the 'organisation' for three out of four participants is a local authority. Based on these testimonies, Meanwhile Space seems to be delivering on their aim to prioritise and enable the improvement of local life by helping local authorities to raise their profile and respond to local residents' needs.

Questions which related to asset value and economic profit were not as highly rated. In response to Q1, two participants show a confidence of score 3 in seeing an increase in the value of their property after a meanwhile project, followed by two more confident replies - one at score 4 and the other at score 5. Results are also more dispersed in relation to Q4; whereas two participants suggest a positive score of 4, the other two give a moderate score of 2 and 3. However, it needs to be highlighted that only one participant's organisation has performed an economic assessment for the project; this participant gave a positive score of 4 in both Q1 and Q4. This implies the need to push forward a systematic impact assessment on the economic performance of meanwhile use projects. Overall, participants confirm a positive experience (scoring 4 or 5) which they would recommend to others (Q6) and do again (Q7).

### Source document

Meanwhile Uses: International Case studies, Crew

### Benefits to landlords/wider impact

- New South Wales: As importantly, previous pop up use premises have attracted new commercial leases because of increased footfall and on-street vibrancy
- Bristol:
- A financial incentive for landlords with empty property rates bills is that these costs can be passed on to the users
- Active occupation provides security and reduces vandalism, antisocial behaviour and crime
- A means to safeguard buildings at risk which benefits the local community and economy far more than standard methods of building security.
- Upkeep of buildings and improvement in visual appearance
- Increasing footfall and attracting new visitors into an area
- Provision of community facilities
- Raising profile and increasing attractiveness of property and local community to future investors and commercial tenants.

#### Source document Arup, Meanwhile use, long term benefit

### Benefits to landlords/wider impact

• Take London's Filling Station and Boxpark for example. It provides the opportunity for early wins by quickly bringing life and activity to an area before permanent development begins

### Source document Trowers and Hamlin, June 2018

- The value of meanwhile uses of property is well established in the commercial sector, borne out of a need for maximum value to be extracted from development sites without a permanent use in an increasingly squeezed sector. Temporary uses of vacant property present opportunities not only for financial benefit, but also in terms of fostering innovation, community engagement and place-making. They can help to breathe life into abandoned sites and are viewed by many within the real estate industry as a key antidote to the epidemic of vacant buildings across the country.
- For landlords with a longer-term view, the promotion of meanwhile uses can also be seen as a kind of "incubator" for burgeoning businesses who could then become ready-made permanent tenants for the very same landlords in the future.

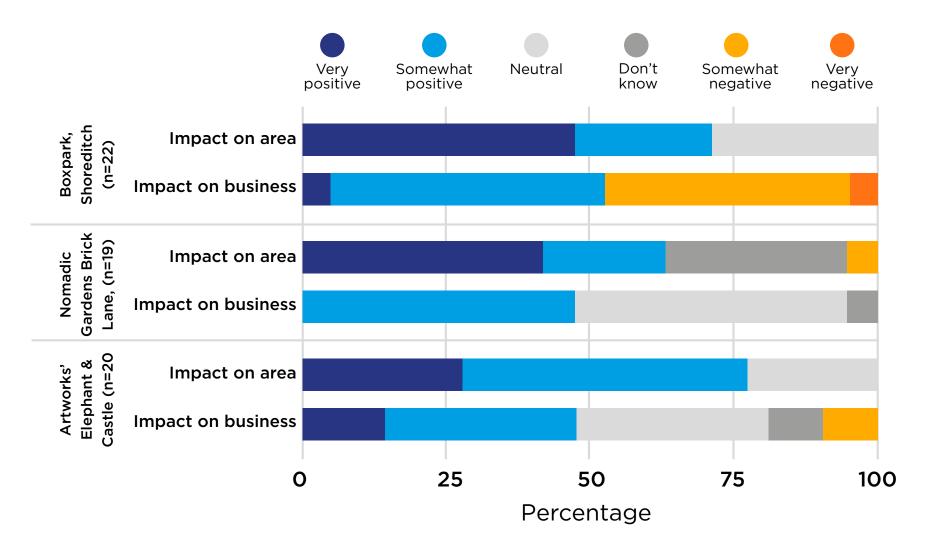


Figure 2: Survey of 60 shop and shopkeepers working near large London meanwhile projects

Survey questions: Overall how would you rate the impact of (this scheme) on the area? and Overall, how would you rate the impact of (this scheme) on your business?

# Appendix 2 – Changes of use not requiring planning

The following excerpt is taken from the Town and Country Planning Act and relates to permitted development changes of use that do not require planning permission (the highlights below have been inserted by the authors of this guide).

### **"PART 3 - CHANGES OF USE**

### Class A

### A. Permitted development

Development consisting of a change of the use of a building to a use falling within Class A1 (shops) of the Schedule to the Use Classes Order from a use falling within Class A3 (food and drink) of that Schedule or from a use for the sale, or display for sale, of motor vehicles.

### Class B

### B. Permitted development

Development consisting of a change of the use of a building—

- (a) to a use for any purpose falling within Class B1 (business) of the Schedule to the Use Classes Order from any use falling within Class B2 (general industrial) or B8 (storage and distribution) of that Schedule;
- (b) to a use for any purpose falling within Class B8 (storage and distribution) of that Schedule from any use falling within Class B1 (business) or B2 (general industrial).

### B.1 Development not permitted

Development is not permitted by Class B where the change is to or from a use falling within Class B8 of that Schedule, if the change of use relates to more than 235 square metres of floor space in the building.

### Class C

### C. Permitted development

Development consisting of a change of use to a use falling within Class A2 (financial and professional services) of the Schedule to the Use Classes Order from a use falling within Class A3 (food and drink) of that Schedule.

### Class D

### D. Permitted development

Development consisting of a change of use of any premises with a display window at ground floor level to a use falling within Class A1 (shops) of the Schedule to the Use Classes Order from a use falling within Class A2 (financial and professional services) of that Schedule.

### Class E

### E. Permitted development

Development consisting of a change of the use of a building or other land from a use permitted by planning permission granted on an application, to another use which that permission would have specifically authorised when it was granted.

### E.1 Development not permitted

Development is not permitted by Class E if-

- (a) the application for planning permission referred to was made before the 5th December 1988;
- (b)it would be carried out more than 10 years after the grant of planning permission; or
- (c) it would result in the breach of any condition, limitation or specification contained in that planning permission in relation to the use in question.

### Class F F. Permitted development

Development consisting of a change of the use of a building—

- (a) to a mixed use for any purpose within Class A1 (shops) of the Schedule to the Use Classes Order and as a single flat, from a use for any purpose within Class A1 of that Schedule;
- (b)to a mixed use for any purpose within Class A2 (financial and professional services) of the Schedule to the Use Classes Order and as a single flat, from a use for any purpose within Class A2 of that Schedule;
- (c)where that building has a display window at ground floor level, to a mixed use for any purpose within Class A1 (shops) of the Schedule to the Use Classes Order and as a single flat, from a use for any purpose within Class A2 (financial and professional services) of that Schedule.

### F.1 Conditions

Development permitted by Class F is subject to the following conditions—

- (a) some or all of the parts of the building used for any purposes within Class A1 or Class A2, as the case may be, of the Schedule to the Use Classes Order shall be situated on a floor below the part of the building used as a single flat;
- (b) where the development consists of a change of use of any building with a display window at ground floor level, the ground floor shall not be used in whole or in part as the single flat;

- (c) the single flat shall not be used otherwise than as a dwelling (whether or not as a sole or main residence)—
  - (i) by a single person or by people living together as a family, or
  - (ii) by not more than six residents living together as a single household (including a household where care is provided for residents).

### F.2 Interpretation of Class F

For the purposes of Class F—

"care" means personal care for people in need of such care by reason of old age, disablement, past or present dependence on alcohol or drugs or past or present mental disorder.

### Class G

### G. Permitted development

Development consisting of a change of the use of a building—

- (a) to a use for any purpose within Class A1 (shops) of the Schedule to the Use Classes Order from a mixed use for any purpose within Class A1 of that Schedule and as a single flat;
- (b)to a use for any purpose within Class A2 (financial and professional services) of the Schedule to the Use Classes Order from a mixed use for any purpose within Class A2 of that Schedule and as a single flat;
- (c) where that building has a display window at ground floor level, to a use for any purpose within Class A1 (shops) of the Schedule to the Use Classes Order from a mixed use for any purpose within Class A2 (financial and professional services) of that Schedule and as a single flat.

### G.1 Development not permitted

Development is not permitted by Class G unless the part of the building used as a single flat was immediately prior to being so used for any purpose within Class A1 or Class A2 of the Schedule to the Use Classes Order."

# Appendix 3 – Signage that does not require planning

The following excerpt is taken from the Town and Country Planning Act relating to display of signage that does not require planning permission.

# An occupier can display the following without the need for advertisement consent:

### Class 2

Miscellaneous advertisements relating to the premises on which they are displayed

### 2A. Description.

An advertisement displayed for the purpose of identification, direction or warning, with respect to the land or building on which it is displayed.

### 2A. Conditions and Limitations.

- (1) No such advertisement may exceed 0.3 square metre in area.
- (2) Illumination is not permitted.
- (3) No character or symbol on the advertisement may be more than 0.75 metre in height, or 0.3 metre in an area of special control.
- (4) No part of the advertisement may be more than 4.6 metres above ground level, or 3.6 metres in an area of special control.

### 2B. Description.

An advertisement relating to any person, partnership or company separately carrying on a profession, business or trade at the premises where it is displayed.

### 2B. Conditions and Limitations.

- (1) No advertisement may exceed 0.3 square metre in area.
- (2) No character or symbol on the advertisement may be more than 0.75 metre in height, or 0.3 metre in an area of special control.
- (3) No part of the advertisement may be more than 4.6 metres above ground level, or 3.6 metres in an area of special control.
- (4) Not more than one such advertisement is permitted for each person, partnership or company or, in the case of premises with entrances on different road frontages, one such advertisement at each of two such entrances.
- (5) Illumination is not permitted unless the advertisement states that medical or similar services or supplies are available on the premises and the illumination is in a manner reasonably required to fulfil the purpose of the advertisement.

### 2C. Description.

An advertisement relating to any institution of a religious, educational, cultural, recreational or medical or similar character, or to any hotel, inn or public house, block of flats, club, boarding house or hostel, at the premises where it is displayed.

### 2C. Conditions and Limitations.

 Not more than one such advertisement is permitted in respect of each premises or, in the case of premises with entrances on different road frontages, one such advertisement at each of two such entrances.

- (2) No such advertisement may exceed 1.2 square metres in area.
- (3) No character or symbol on the advertisement may be more than 0.75 metre in height, or 0.3 metre in an area of special control.
- (4) No part of the advertisement may be more than4.6 metres above ground level, or 3.6 metres in an area of special control.
- (5) Illumination is not permitted unless the advertisement states that medical or similar services or supplies are available at the premises and the illumination is in a manner reasonably required to fulfil the purpose of the advertisement.

### 4B. Description.

An illuminated advertisement, other than one falling within Class 4A, displayed on business premises wholly with reference to any or all of the following matters, namely the business carried on or the name or qualifications of the person carrying on a business from those premises.

### 4B. Conditions and Limitations.

- Subject to paragraph (12) below, no such advertisement is permitted within a conservation area, an area of outstanding natural beauty, a National Park or the Broads.
- (2) In the case of a shop, no such advertisement may be displayed except on a wall containing a shop window.

- (3) Not more than one such advertisement parallel to a wall and one projecting at right angles from such a wall is permitted, and in the case of any projecting advertisement—
  - (a) no surface may be greater than 0.75 square metre in area;
  - (b) the advertisement may not project more than 1 metre from the wall or two-thirds of the width of any footway or pavement below, whichever is the less;
  - (c) it may not be more than 1 metre high; and
  - (d) it may not project over any carriageway.
- (4) Each character of the advertisement but no part of the background is to be illuminated from within.
- (5) No such advertisement may include any intermittent light source, moving feature, exposed cold cathode tubing, animation or reflective material.
- (6) The luminance of any such advertisement may not exceed the limits specified in paragraph 2 of Part II of this Schedule.
- (7) In the case of any such advertisement consisting of a built-up box containing the light source, the distance between—
  - (a) the face of the advertisement and any wall parallel to which it is displayed, at the point where it is affixed, or
  - (b) the 2 faces of an advertisement projecting from a wall, may not exceed 0.25 metre.
- (8) The lowest part of any such advertisement shall be at least 2.5 metres above ground level.
- (9) No surface of any advertisement may exceed one-sixth of the frontage on which it is displayed,

measured up to a height of 4.6 metres from ground (3) Illumination is not permitted unless the advertisement, whichever is the less. (3) Illumination is not permitted unless the advertisement states that medical or sin services or supplies are available at the

- (10) No character or symbol on the advertisement may be more than 0.75 metre in height.
- (11) No part of the advertisement may be higher above ground level than 4.6 metres or the bottom level of any first floor window in the wall on which the advertisement is displayed, whichever is the lower.
- (12) Paragraph (1) above does not preclude the continued display of an advertisement being displayed at the date of designation of the relevant area until the expiry of 5 years from that date.

### Class 5

Advertisements on business premises

### 5. Description.

Any advertisement which does not fall within Class 4A or 4B displayed on business premises wholly with reference to any or all of the following matters, namely the business carried on, the goods sold or services provided, or the name or qualifications of the person carrying on the business, or supplying the goods or services, on those premises.

### 5. Conditions and Limitations.

- In the case of a shop, no such advertisement may be displayed, except on a wall containing a shop window.
- (2) In an area of special control, the space occupied by any such advertisement may not exceed 0.1 of the overall area of the face of the building on which it is displayed, up to a height of 3.6 metres from ground level; and the area occupied by any such advertisement shall, notwithstanding that it is displayed in some other manner, be calculated as if the whole advertisement were displayed flat against the face of the building.

- (3) Illumination is not permitted unless the advertisement states that medical or similar services or supplies are available at the premises on which the advertisement is displayed and the illumination is in a manner reasonably required to fulfil the purpose of the advertisement.
- (4)No character or symbol on the advertisement may be more than 0.75 metre in height, or 0.3 metre in an area of special control.
- (5) No part of the advertisement may be higher above ground level than whichever is the lower of—
  - (a) 4.6 metres, or 3.6 metres in an area of special control; or
  - (b) the bottom level of any first floor window in the wall on which the advertisement is displayed."

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