

# Future Cities Blueprint An exploration of high street property use and ownership

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# **Executive Summary**

Plymouth Culture led a meanwhile use programme in Plymouth City Centre, through the Interreg funded C-Care project. Placing cultural activity into vacant high street units, 17 case studies provide first-hand experience of the challenges and opportunity to integrate meanwhile use as an enabling mechanism into high street revitalisation plans. Beyond the meanwhile use model, the project provided insights into how better us of or changes to policy might enable community ownership of high street property for great community benefit, local wealth retention and social impact.

- 1. High streets are under threat nationally and Plymouth city centre has high vacancy rates and a retail stock larger than you might expect for a city of this size. As such diversifying and revitalising the high street is a core priority.
- 2. Research through the High Street Task Force highlighted the opportunity to pilot a meanwhile use programme in Plymouth as a mechanism for activating the high street.
- 3. the programme supported 17 meanwhile use projects which attracted a footfall of 6,933. 361 surveys were collected from visitors to the meanwhile spaces and 77% of respondents confirmed that the meanwhile use project was the main reason for their visit to the high street, with 96% agreeing activities like this would make them more likely to visit.
- 4. A wide definition of Culture was used for the project and the meanwhile projects can be grouped into climate action, art and creativity, community and education.
- 5. The case studies intentionally tested different models of operating, including artist and organisation led, umbrella leaseholder organisations and co-location of projects.
- 6. Overall the project identified three main benefits to the meanwhile programme including efficiency, affordability and flexibility of space for users and landlords.
- 7. There were manage challenges to running the project, some local to Plymouth but many relevant to all towns and cities. However, the Plymouth pilot identified a number of enabling activities that are recommended when setting up similar programmes including:
  - a. Set up a central Meanwhile Use webpage
  - b. Establish a Meanwhile Use Activation Group
  - c. Creating and resourcing an umbrella organisation
  - d. Funding rate relief and start-up grants as part of the package of support
- 8. The meanwhile use programme enabled us to better understand our city property landscape and the barriers to reform. It became apparent throughout the programme that, for long-term transformation of the high street, there is a need to put property into the ownership of people and organisations with an interest beyond financial gain, and to use mechanisms that enable local reinvestment of financial gains on the basis that doing so it likely to enable great community benefit and social impact.
- 9. There are a number of policy leavers that can be better utilised to facilitate community access to and ownership of the high street, and which we recommend form part of any future high street programme.
- 10. As a result of our experience, and through the lens of ownership and policy considerations, we have proposed a series of recommendations that we feel would facilitate and accelerate the transformation of the high street and which we hope will form part of an action plan for Plymouth moving forward:
  - a. Undertake an ownership study of the high street
  - b. Undertake an impact assessment of the existing high street
  - c. Map assets with head-leases of a value of £2m or less for the application of the Localism Act
  - d. Establish a Community Benefit Management Organisation (CBMO)
  - e. Explore options for redefining the approach to assessing and evaluating potential leases longer than 7 years. (Linked to the Social Enterprise Lease policy recommendation)
  - f. Design and Adopt a Vacant Units Management Strategy

- g. Establish and Maintain a Vacant Spaces Databaseh. Create and Adopt an Alternative Leases Social Investment Leases (ESG Leases) Policy

### Introduction

This report is the outcome of an Interreg funded project to test meanwhile use as a mechanism to support high street recovery following Covid-19, and to explore the potential to revitalise the high street. In particular the project was commissioned to investigate the culture of the high street and explore the possibility of increasing footfall through cultural use of vacant units. This was achieved through 17 meanwhile use case studies, providing practical evidence of the impact and opportunities this model offers.

We appreciate that meanwhile Use can be defined in a number of ways and is not always offered on a rentfree basis, such as the Plymouth City Council Community Asset Transfer Policy which defines meanwhile as below 6 months duration. However, for the purposes of this project we have used the following definitions —

#### Meanwhile Use

Temporary occupation of a high street premises by non-commercial occupiers who would otherwise be unable to afford normal commercial rents. The premises is to be offered on a rent free basis for up to six months, without security of tenure.

Source: Communities and Local Government Meanwhile Use Project

#### Culture

Culture is who we are. It is our identity, shaped by our past and which defines our future. It is all that we do, how we live and express ourselves. It is what gives our communities and our city its soul.

Source: Culture Plan Plymouth 2021-2030

The Meanwhile Use Programme is just one strand of work within the wider Interreg funded C-Care programme. C-Care was a ground-breaking partnership of four English and three French organisations along with a much wider network of stakeholders and previous Interreg projects from the France Channel England (FCE) area who developed a unique and ambitious package of targeted support in response to some of the socio-economic impacts of the Covid-19 Pandemic.

Covid-19 has affected every area of life in the FCE area and the C-Care capitalisation project aimed to address issues where the impacts have been the greatest through four work packages:

- 1. **Respond, Reflect, Report** enabled partners, stakeholders and other FCE projects to review initial Covid-response, gather good practice and bring together lessons learnt in order to shape a new package of Covid-19 response and recovery actions.
- 2. **C-Care Support for Social Inclusion** delivered targeted support to more than 4,547 individuals to develop new skills and tools to help them into employment or start a business.
- C-Care Support for Business Recovery provided direct support to over 1,947 businesses via advice, vouchers and grants aimed at helping sectors hard-hit by the pandemic to develop new business models to respond to market changes and ensure a green, inclusive and sustainable economic recovery.
- 4. **C-CARE Reset and Redesign** develop blueprints for future town centres to improve long-term prospects for businesses and work on new ways to tackle social exclusion and in particular digital and food poverty.

This document is connected to work package four and seeks to develop a city blueprint for the reinvention of thriving high streets based on the lessons learnt from 17 case studies located in Plymouth. This report explains the context for the project with background information about Plymouth's City Centre. It provides an overview of 17 case studies and how they were delivered. Lessons learned from these case studies are explored with, 3 key benefits identified and the challenges considered with accompanying actions proposed. Chapter 3 focuses on the key challenge of property ownership, with chapter 4 providing a policy discussion and recommendations follow for both chapters.

# **Chapter 1 State of the High Street**

The Meanwhile Use Project is a direct response to the national and local context for high streets under threat. We have selected Culture as the focus for the case studies in Plymouth because we have already developed a ten-year strategy to position Culture as a driving force for transformation, and we want to be less reliant on retail in the high street.

Whilst meanwhile use is often, mistakenly, considered to be short-term we see this project very much as a long-term strategy. We have always seen meanwhile use as part of the high street jigsaw and firmly believe that, if correctly used, it can be a catalyst for transformation. There are common challenges faced by high streets across the Country but Plymouth is also operating within a specific context, which has undoubtedly shaped our delivery, outcomes and recommendations.

We all know that evolving consumer habits and expectations are creating a change on our high streets, this has been documented consistently since the Portas Review of 2011, with the impacts being felt since the 2008 financial crash and worsening during Covid-19.

High Street vacancy is endemic throughout the UK with average vacancy rates at 13.9%. Plymouth, however, ranks higher than average. A report by Property Inspect from December 2021, showed that there where a total of 10 empty retail units per 100,000 residents, this puts the city as 4th on the table of vacant premises out of the 50 biggest cities and towns in the UK. Only Hull, Stoke-on Trent and Barnsley rank higher.

Independent research conducted in January 2023 by Vacancy Atlas found that over 1 in 5 (21.18%) High Street shops in Plymouth remain vacant, a figure which confirms the statement above. The research also highlighted the following about Plymouth's city centre:

- More than half of the High Street is dominated by national chains (51%)
- Only 20% of the High Street is independent (1 in 5 shops)
- Almost all independents (approximately 95%) are located in the 'West End' area of the city
- The remainder 29% consists of offices, council services, and vacant premises (21.18%).
- The total number of vacant registered premises was 58 units.

Note: These statistics are based on an area of the city defined for the purpose of this report and do not cover the entire footprint of the City Centre. These figures are approximate based on data available at the time, and will continue to be refined through further work to be commissioned by Plymouth Culture in Spring 2023.

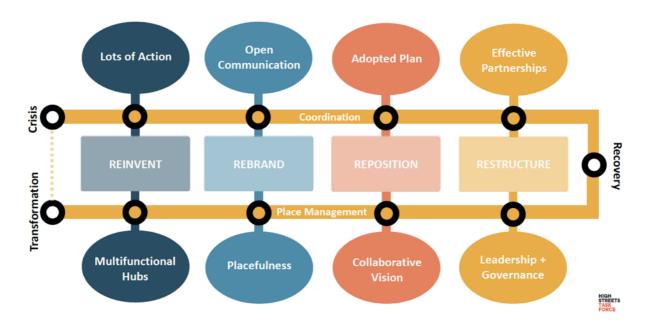
Plymouth also has other, specific conditions that have influenced the approach to our project:

- **Property ownership** we have a high proportion of external landlords in the form of pension funds and offshore companies holding portfolios of property aiming to keep the book value of units but with little incentive to support the short-term vacancy issues. Whilst this is a feature across the UK, in Plymouth, this was a feature of the properties we explored for this project.
- Size of buildings Many of the units on the High Street are substantial in size, with Plymouth being victim to the many national chains that have fallen out of business in the past few years, with no alternative to replace them. The scale of the units means the rent and rate payments are out of reach for many small or independent businesses.
- **Public realm works** Although a temporary disruption, extensive public realm works across the city centre have had a major impact on vacancy rates.
- Size of the city centre the city centre is larger than would be expected for the population of Plymouth and its surrounding retail catchment area. This is both in relation to its physical size and the number of units.
- Lack of a mixture of uses in the city centre the city generally is heavily zoned according to use. The city centre is effectively a vast shopping centre, with only limited office, leisure and residential uses to support 24/7 activity.

• Lease and ownership arrangements being challenging - layers of ownership make access to and negotiation of spaces difficult.

It is research like this and the impact of Covid-19 on the high street that saw the High Street Task Force commissioned by the UK to support high street recovery in the short-term and plan for transformation in the long-term.

Plymouth City Council was one of 70 local authorities selected to receive direct support from the Task Force in March 2021. Facilitated discussions and research activity conducted by the Task Force helped to identify a framework based on 'The 4 R's for Renewal'.





As you will see from the diagrams above there is a roadmap that shows how activation out of crisis can lead to transformation through restructure. It is on this basis that we structured the meanwhile use programme,

believing that tactical recovery interventions could help to facilitate much needed reform and restructure on the high street. We set out to answer the following questions through a series of meanwhile use case studies -

Can Meanwhile Use unlock opportunities in vacant shops for new services to create inclusive jobs and enable people to live healthy and productive lives?

How can a reimagined high street enable economic and social recovery and resilience in a post-Covid World?

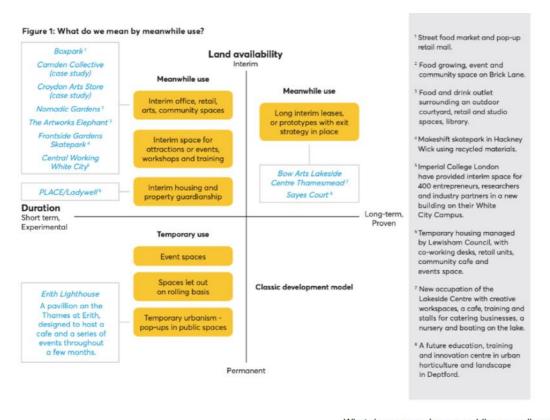
How does a more cultural high street contribute to recovery and long-term transformation?

# **Chapter 2 The Plymouth Project**

The Meanwhile Use Programme created 17 case studies across 6 venues from September 2021 through to March 2023. Through funding secured from Historic England High Street Heritage Action Zone, local authority recovery grants and Interreg we pooled resources to fund small scale capital improvements to units and revenue costs for operating. The partnership supporting the programme, led by Plymouth Culture, included Plymouth City Council, Plymouth City Centre Company and Vacancy Atlas, a Meanwhile Use specialist based in Plymouth.

Through an open call process, we invited project proposals that could respond to our brief and meet the programme objectives. Using our broad definition of Culture, we sought diverse projects that had the potential to change the culture of the high street. The units were made available rent free for the period of use and Plymouth Culture covered the rates and utility costs from the project funds. The projects could apply for up to a £4,000 grant to enable the project to happen including covering costs such as marketing, insurance, staffing, engagement workshops, events and artist fees.

Whilst the definition of meanwhile use is provided in section one of this document, it is important to consider the purpose and ethos of meanwhile beyond the technical definition. The diagram below illustrates this, drawing a distinction between temporary and meanwhile. Meanwhile may be short-term but if used properly it is purposeful and meaningful, facilitating a test phase that can be progressed beyond the life of the meanwhile use. Jan Kattien describes this perfectly in Meanwhile City 2022, "When a space is unused, instead of closing the doors, boarding up the windows, and subsequently creating a gap in the 'active layer' of the city, Meanwhile Use takes advantage of the space; seeing it as a precious opportunity to test out ideas or engage the local people (along with local authorities, private investors, brands, and cultural institutions) into something meaningful". Jan Kattien (Jan Kattien Architects) - Meanwhile City 2022



What do we mean by meanwhile use - diagram from Meanwhile, in London: Making use of London's empty spaces -Nicolas Bosetti & Tom Colthorpe - Centre for London, Oct 2018 Taking the Meanwhile City reference into account, the Plymouth meanwhile Programme actively selected projects that would diversify the landscape of activity on the high street and had the potential for positive outcomes for all involved. This sought to test different operating models which can be categorised as follows: - **Short Term Pop Up** – an individual or sole project looking for an outlet on the high street to test a business concept and raise awareness. *Example - Studio Realine* 

**Mid to Long-Term tenancy with a lead project** – a mid-term tenancy for a lead project which operated as a hub for other projects, events, workshops and organisations to cluster around/within. *Example - Community Climate Hub* 

**Hybrid Approach with an umbrella organisation** – Vacancy Atlas have a long-term lease and manage a space within which meanwhile use activity can happen alongside a more extensive programme. *Example - Vacancy! Pop Up Shop (by Vacancy Atlas)* 

# 2.1 Case Studies

In total the programme supported 17 meanwhile use projects which attracted a footfall of 6,933. We conducted evaluation activity throughout the project using audiences surveys, interviews and feedback forms. Of the 361 survey responses we collected cross the projects 77% of respondents confirmed that the meanwhile use project was the main reason for their visit to the high street, with 96% agreeing activities like this would make them more likely to visit. The projects attracted visitors from all post code areas in Plymouth, (PI1-PI9) 67% from the city centre, 20% from other Plymouth postcodes and 14% from non-Plymouth postcodes. There was a reasonable spread of ages represented by the visitors to the projects with the largest category, 23%, aged 25-34.

Whilst all projects were cultural they can also be subdivided into a number of core themes – climate action, art and creativity, community and education.

# **Climate Action**

**Plymouth Community Climate Centre**, a social enterprise dedicated to engaging, educating and empowering communities to respond to the climate crisis, opened in a building previously used as a Waterstones bookshop.

The flagship Climate Hub is one of the first city centre Climate Hubs in the world and served as a central space

for multiple organisations to operate from. The welcoming and collaborative community space gathered and signposted events, activities, people and organisations connected to or interested in the climate emergency. The core objectives of the project were:

TO ENGAGE: The Climate Hub will organise and host activities and exhibitions to engage people of as many different backgrounds as possible, with events, workshops, exhibitions, talks, people's assemblies and, of course, a zero waste shop and vegan café!



TO EDUCATE: The Climate Hub will provide a range of trustworthy, evidence-based knowledge and accessible resources that can support people, organisations and communities to develop their understanding of the climate crisis.

TO EMPOWER: The Climate Hub will create and share opportunities to take meaningful and tangible action to address the climate crisis, from reducing emissions and energy use, to transitioning to a circular economy.

"being placed on the high street has enabled us to meet with different types of audiences: not just people who are already involved in climate related causes...but also people who have never found this type of community before. We have developed deep relationships and trust with many organisations and partners, and the network in Plymouth has been strengthened through our space, where groups and organisations working for positive social change can meet and exchange ideas, resources and funding opportunities, as well as possibilities for future buildings and locations."

"Our network, partnerships and relationships in the city have improved greatly. This type of support is invaluable and the most important thing for resilience-building. We now have many opportunities and possibilities and dreams to move forward with our project. Many individuals, groups and bodies are reaching out to help us out."

As a hub, in the second phase of the building's usage, a number of other meanwhile projects were supported to deliver from within the Climate Centre.



**Down Stage Write** delivered a series of playwriting workshops and short plays that tackle the climate crisis. This created paid employment for writers and actors reaching 98 audience members.

"This was our first project making use of the Theatre Green Book and other guidance of creating low impact, low carbon events-from recycled and secondhand materials, use of and encouragement of public transport and low emission led lighting and low impact powered sound. Starting to create a policy and framework for all projects going forward whether in theatre or community spaces."

"The funds and ticket sales increased our turnover in our first year as a Community Interest Company. Our future prospects and resilience have improved through participation in this project."

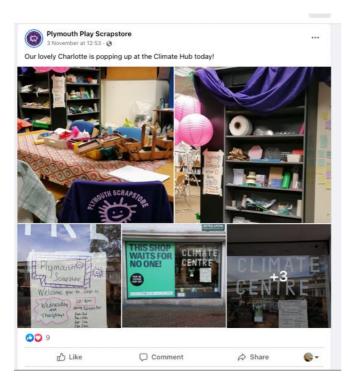
World Kitchen – Plymouth Write Now created a series of writing workshops giving community members the confidence and skills to write about and respond to the climate emergency. Sixteen participants engaged in weekly sessions.

"Working on this project has given me a new opportunity to meet other people... not just the people participating, but all the supporting frameworks and people in that framework and also the other creatives and activists that were using the Community Climate Centre".

"...somebody arrived who was possibly homeless... they didn't really know what to do. But I said well, there's nothing to do you know she can join the session... But the real thing was that she turned up for three sessions in a



row. Three different weeks and she was on time... on the third arrival I couldn't believe it. She turns up really clean. I was just so ecstatic. Because I just thought, this has given her something. That to me is also success."



**Plymouth Scrapstore** 'popped-up' with a programme of make and mend workshops. A total of 51 people engaged with the offer and it provided an opportunity for the scrapstore to be visible in a new area of the city and test a low risk, high street space.

"We have had new visitors to the Scrapstore on Union Street, new audiences, from users of the Climate Community Centre."

"... [being] in a central location allowed people to drop in more than once, popping in to see us alongside a visit to the city centre."

**Food Plymouth** developed a pop-up space to deliver workshops and events in partnership with three other community food enterprises in the city.

"we were able to gain valuable insights into the hopes and challenges Plymouth residents face as regards our local food system, providing a strong basis for further work around Participatory Processes Development for which we have been funded in 2023"

"We can only reiterate our thanks to the team for a fruitful couple of months that helped us to strengthen connections, Value fairs

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raise our profile and bring together organisations of all types around a common cause."

# **Zedify and Bikespace**

Devonport-based Community Interest Company Bikespace partnered with cargo bike courier service Zedify. They created a hub for consolidating deliveries for businesses, offer a zeroemissions, same and next-day delivery service. The meanwhile use was an opportunity to test a new business model, raise profile and determine if a high street unit was sustainable. The unit attracted 128 visitors and has helped the organisation to become established. Following an extended meanwhile use agreement, Zedify have now identified a long-term lease option with the local authority on the high street.

"Now that we have had a chance to get established through the use of the



shop and Meanwhile Use project, we hope we can make a real difference with our overall goal - to reduce congestion within Plymouth, to reduce air pollution in the city and to make Plymouth a better and safer place to be for everyone"

#### **Studio Realine**

Based in the former H. Samuels building, Studio Realine developed a pop-up shop to launch a sustainable fashion brand and build partnerships for future activity around Sustainable Fashion Week. The shop was open for one weekend and had a total footfall of 76 into the shop and hundreds accessing information on the windows.

"It's a new business so turnover has increased I believe faster and more than if I started online. I believe it's opened more doors and a new perspective on the importance of in person events. This in turn has improved my resilience and sustainability."



# **Art and Creativity**

**Hidden Art Gallery** transformed a vacant unit into a vibrant pop-up gallery showcasing the work of some of the city's most exciting up-and-coming artists. The gallery curator, Billy Finch, is dedicated to promoting the work of Plymouth's blossoming art scene and started by showcasing three local artists. The gallery had 250 visitors and the curator has now secured a longer-term unit on the high street as a result of contacts made through meanwhile use.

"... the benefit is that you get a certain amount of time to investigate whether or not your project is going to work because ... you haven't got any overhead so it gives you a bit of time to kind of reflect on your project and whether or not it's actually going to work... it gives you breathing space and gives you a chance to test the market whether or not it's feasible."



Sprite Arts is a collective of five womxn artists who based themselves in a former Nandos restaurant and created a programme of arts events, workshops and exhibitions, establish artist residency programmes and mentoring opportunities. There were 1,348 visitors to the space and multiple artists supported to make and exhibit work.

"The project was always about us finding out ways of working as a group, and together we have already achieved many of our objectives, including mentoring, running residencies



and opening the space to community creatives and groups".

"We have also built our reputation locally: I notice that people are now referring to the Sprite Space, rather than Nandos".

Vacancy Atlas is a partner organisation within the meanwhile use programme. They lease and manage their own space with a rolling programme of activities, as well as being a space for third party projects and organisations to access. This important partnership tested a model of working, with vacancy atlas as the umbrella organisation taking responsibility for the lease and conversion/renovation of the space whilst the meanwhile use element served to activate the building. With a longer-term lease already in place this provided an opportunity to test projects and partnerships who may be able to occupy space on a permanent basis. This model offers sustainable approach and provides the foundations for project legacy and has influenced the recommendations within this document.



Within Vacancy Atlas were located four meanwhile use projects:

**Owen** was a student at the time and the meanwhile use provided the first opportunity for him to exhibit and sell his handmade ceramics as a sole trader, OwenMakes. There was a total of 150 visitors the shop across the week-long pop-up, resulting in 30 sales.

"My audience grew while undertaking this project as people found my pop-up shop by accident, not expecting to come across a shop of this sort while in town. This had a large benefit to me as I now have a larger following and gained people who regularly interact with me on social media, from commenting on incoming projects to commissioning work."

"Before this project I didn't know how feasible working as a sole trader in this field would be, but using MU allowed me to gain a better understanding of the running costs and the interactions with the public to see how something like this as a career would work".

Colossal! set up by a local printmaker, developed print workshops for neuro diverse participants in a safe and engaging space. The work developed in these sessions was exhibited and open to the public, celebrating the creativity in everyone. The project created an opportunity for two neuro diverse volunteers to work alongside the printmaker, offering development opportunities to those individuals. The workshops and exhibition engaged with 64 participants who would not otherwise have access to these spaces and opportunities.



"I just think it's definitely bolstered my development growth with Colossal!, supporting me as an artist. It feels like I'm really there and feeling seen within the city. All the hard work and effort that I've put in over all the years, like I'm really starting to emerge into that now and, and by doing Meanwhile Use, that's my key message."

**Memori Prints** created a pop-up shop and collaboration opportunity with other screen printers. The artist worked with new partners to animate the space and drew public engagement through print demos and exhibitions with a total of 116 people visiting.

"I usually trade at craft fairs but the MU project encouraged me to think of other ways to attract people rather than just selling my work, and running screen print demos is something that I have never done before. This is something that I will definitely do in the future as it got a great reaction."

"I have definitely sold more in the local area because of this compared with normal months and I expect this to continue. This pop-up has definitely helped raise my profile in the local area."



MEND Developed a series of pop-up sewing and making workshops. In light of the cost of living crisis and the climate emergency this project focused on the value of making and mending skills to support a more sustainable and affordable way of living. A total of 91 participants joined the workshops.

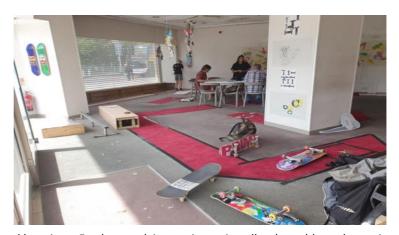
"I think the Meanwhile Use programme is a fantastic way to re-engage the public with the high street and to grow their confidence in spending time there in person.....It was

a pleasure to see customers finding so much joy and community in sewing and making."

"A large number of our bookings - around 70% - were from new audiences - new clients to Mend."

# **Community**

Civic Space brings art and creativity together with the local skating community, celebrating Plymouth's skating heritage. The meanwhile use served as a city centre hub for the skater community to participate in workshops with artists. They focused on work that would make visible a positive skater identity and this was put into the public domain with a mural on hoardings around the Civic Centre and the publication of a Map of



Plymouth identifying skateable objects and locations. Further work is ongoing to install a skateable sculpture in the city centre.

In total 7 workshops were delivered in the space working with 112 participants. The meanwhile use has been a catalyst for these public works and the project team, in partnership with the skater community, are starting to influence policy work around access to and suitability of public spaces.

# **Education**

**Arts University Plymouth** made use of the meanwhile programme to showcase the work of staff, students and alumni. This provided a public outlet for creative work including exhibitions and events. This project experimented with the use of QR codes on the window so that the general public could interact with the space even when it wasn't formally open. This achieved a footfall of 137 but with an additional 277 people engaging with the space via the QR code.

"It's been a fruitful way of working with students, staff and alumni in being able to offer them an opportunity for personal or professional development. We have created 5 new opportunities through the 5 exhibitions we put on. This has meant accessing new audiences through the project space's city centre location."



#### 2.2 Lessons Learnt

Extensive research has been undertaken across the UK on the benefits of meanwhile use, covering all aspects from the re-use of space, benefits for developers, land owners, local authorities and communities. From our own experience of the Plymouth Programme we can conclude that meanwhile use offers three key benefits which focus on the re-imagining of the High Street from an initial activating perspective:

# **Benefit 1 Efficiency of Space**

- Activates vacant and under-utilised buildings and spaces
- Addresses urban decline.
- Creates new local enterprise and employment on vacant space.
- Provides blue / green infrastructure and public realm.

### **Benefit 2 Affordability of Space**

- Creates new affordable workspace, creative, cultural and community spaces.
- Supports local start-ups, micro and SME businesses.

#### **Benefit 3 Flexibility of Space**

- Diversifies the High Street through different uses.
- Allows the testing of new ideas in temporary locations prior to long term development.

The Meanwhile Use Programme was an opportunity for all involved to test and learn, from partner organisations, projects and landlords. Whilst the benefit and outcomes of the programme are clearly evident from the case studies, there were significant challenges experienced throughout. Many of these challenges are not unique to Plymouth and will resonate with towns and cities across the UK.

These challenges can be categorised into four sections – information, partnership working and empowerment, funding and ownership. For each we have suggested, based on our experience, a number of enabling activities that we would recommend to any town or city looking to launch a similar programme:

#### Information

# **Challenge - Managing expectations**

Many projects believe a building is a positive next step for their work, and it certainly can be. However, operating and managing a high street unit can be challenging and requires a particular set of skills. Some projects are not aware of the responsibilities managing a building brings and this can put strain on resources. The public also engage with retail spaces in a different way to other spaces such as galleries, education campuses, cultural venues so working on the high street, with the public requires suitable staffing and an engagement plan.

#### **Challenge - Meanwhile Use Definition**

Meanwhile use means different things to different individuals, groups and organisations. The understanding derives from the potential outcome each sees from the project. At times this may make it difficult to overcome preconceived ideas about meanwhile use, engage partners and manage the responsibilities of each party.

#### Action - Set up a central Meanwhile Use webpage

To ensure everyone understands the scope and benefits of meanwhile use we would recommend the establishment of a central webpage which includes:

- a defined of meanwhile use as applied to your project or location
- an overview of the type of projects that would be supported including example case studies
- a guide for involvement for land and building owners to make clear the benefits and responsibilities
- resources and toolkits for prospective projects to get a good understanding of the opportunities and responsibilities involved (Meanwhile Use tool kits developed by Plymouth Culture can be found <a href="here">here</a> and <a href="here">here</a>)

# Partnership working and empowerment

# Challenge - Absentee & Reluctant Landlords & Landowners

Our work to source and secure vacant spaces on the meanwhile use programme was severely restricted by the ownership landscape of the city centre. Plymouth provides a rare challenge through its layers of ownership and lack of transparency over ownership of buildings. This ownership landscape 1) promotes distance between the High Street and those that currently have control over it 2) means agents and owners are often unwilling to review lease terms and costs in the hope of retaining the book value of the investment and 3) makes the process of speaking to a decision maker on vacant properties difficult to navigate. In Plymouth this situation created significant delays in accessing spaces, signing leases and matching projects which, in some cases, negatively impacted the projects ability to participate in full.

# Action - Establish a Meanwhile Use Activation Group

Create an activation group for the high street so that meanwhile use is understood, all parties are involved in decision making and any meanwhile programme is integrated with other strategic work within the high street. We would recommend that this group includes representation from: Planning, Economic Regeneration, Land & Property, Business Rates, Finance / Legal Team, Estates / Street Operations & Street Trading, Business Improvement Districts (BID's), Universities and Colleges (if present within the high street), landlords and landowners and specialist organisations that can help achieve the objectives of the project such as culture, health, business. This will ensure that meanwhile use is not a reactive project but an embedded strategy that has been carefully considered and responds directly to the needs and challenges of your high street. (The later policy recommendations within this report identify how this group might take responsibility for vacancy and ownership mapping in order to create a Vacant Units management Strategy, with an activation group serving and an enabling activity).

# Ownership

# Challenge – Complex lease and partnership requirements

Despite efforts to streamline processes, many landlords will insist on a lengthy and costly process for lease preparation and signing, as was the experience in Plymouth. This requires a set of skills and level of resource that is simply out of reach for many small organisations and perpetuates the challenge of diversifying high street usage.

#### **Action – Umbrella Organisation**

The role of Plymouth Culture and Vacancy Atlas operating as umbrella organisations within the Plymouth programme was invaluable. The projects would simply not have happened without the project manager role, which created capacity to liaise with landlords, utility companies, rates departments, trades people and funders. In practical terms Plymouth Culture as a Charitable Incorporated Organisation was in a position to take on the leases and therefore benefit from the 80% rates reduction for charities, something that other projects would not have received thus making the project unaffordable for them. Similarly, the hybrid model with Vacancy Atlas meant that the space had already been physically developed and de-risked allowing the focus of resource and funds to go to the projects and not the building. We would strongly advocate that an umbrella company, with sufficient project management capacity is established within the high street to develop and deliver meanwhile programmes which will have a resource and or funding implication (The later recommendations in this report further explain the options for this).

#### **Funding**

#### **Challenge - National Non-Domestic Rates (NNDR)**

Business rates are cited as one of the main barriers to entry for meanwhile use projects from across the UK. There are many such reports that detail this issue as a 'major stumbling block' as highlighted in the report 'Open Doors Pilot Programme Report - Meanwhile Foundation, 2020. Meanwhile use projects are not exempt from business rates (where applicable on each unit). This creates a significant barrier to entry for certain potential projects and also progression from meanwhile units into permanent spaces.

### **Action – Funding for Rates Relief**

We would recommend the adoption of a rate relief policy for meanwhile use programmes, as has been modelled in some local authorities in London. Section 47 of the Local Government Finance Act 1988 provides a mechanism for local governments to provide discretionary rates relief for purposes identified by that local government. This would diversify the projects able to access the programme and support progression routes that would otherwise be out of reach for many non-profit organisations.

Government recognises that Business Rates relief can be an incentive and accelerator for business growth. Time limited rates relief has been used in proposals for Enterprise Zones, Investment Zones and Freeports in recent years. This is often used alongside planning flexibilities. Exemptions on State Subsidy rules are also sometimes applied to specific sites or groups of sites. Models such as these may present a mechanism for supporting meanwhile activity.

# Challenge – Affordability

The project funds were critical in making spaces ready for use and the grant funds enabling start-up activity. Without the financial support available the specific projects we worked with would not have been able to acquire space on the high street.

#### Action - Small scale start-up investment

We recommend that small grant and repayable loan funds are create to support meanwhile use programme. As a priority they should be used to attract and support projects looking to diversify the high street and test new models of operating and ownership structures.

These are practical solutions to help initiate and manage a meanwhile programme. However, the central lesson, which became increasingly evident throughout the Plymouth Programme, is that for meanwhile use to achieve maximum impact and for high street transformation to become a reality we need structural change. In particular, we need to affect change at the policy level and tackle the structural issues of land and property ownership. The remainder of this document addresses the questions of policy and ownership, making recommendations for change.

# Chapter 3 A question of Ownership

## 3.1 Why are we talking about ownership?

<sup>1</sup>The Plymouth Meanwhile Use project was in many ways incredibly successful. However, we recognise that for long-term transformation of the high street to be possible, structural change is needed to make future city centre development less challenging. In particular there is a need to put property into the ownership of people and organisation with an interest beyond financial gain, and to use mechanisms that enable local reinvestment of financial gains. The post war reconstruction of Plymouth resulted in a multi-layered ownership structure that has resulted in ownership for investment over delivery of local benefit. This is a barrier to change and restricts the ability to easily initiate projects such as meanwhile use which could positively drive high street diversification and activation. Therefore, we have explored the ownership challenge, using Plymouth as the case study.

As stated in the 2017 Plymouth City Centre Masterplan: "This first priority is to bring more people into the City Centre and to create enough activity and attraction to keep them there for longer. Fundamentally, the City Centre in its current form cannot sustain sufficient human activity to fully support its current uses or to attract new uses."

Alongside the goal of adding 3,000 new homes to the city centre, the 2017 master plan stated that Plymouth City Council should focus on adding new uses to the city centre to encourage investment and attract people to move there. These new uses should be education, health, social, entertainment, culture, and others. This would then support the city centre to thrive. The report however was constrained in scope to public realm improvements and large strategic built projects. What was not explored, and we are unpacking here, is a parallel series of actions required to address the existing buildings and create change with minimal resources.

As we unpack this, there is an initial question to consider: Why is a greater variety of uses, beyond solely retail, important in Plymouth City Centre?

Plymouth needs a vibrant and busy city centre for economic growth and social prosperity. The challenge is much more than the trend towards online shopping, out of town retail parks, or the impact of COVID-19; the City Centre has to work harder in all aspects of user experience in order to be competitive. Abercrombie's post war Plan for Plymouth doubled the size of the pre-war city centre yet the population of the city has only grown by a quarter since 1910. As the City Centre commercial district is comparable in size to cities with twice the population - this begs the question: is there more commercial space than the city can sustain?

Abercrombie's plan also halved the number of small shops in the city while doubling big shops, this move to large shops was exaggerated with the development of the Drake Circus shopping centre. This raises the question: Could it be a lack of small shops that is discouraging entrepreneurial innovation? Furthermore, as City Centre commercial spaces have become vacant there is a growing challenge of finding tenants. These are important considerations for the future of Plymouth City Centre and what should be in it.

The options and recommendations presented here explore how other uses and functions could be given space through a reconsideration of the ownership models in the City Centre to enable investment, footfall, and the construction of homes.

# 3.2 Summary of Ownership in Plymouth City Centre

The ownership structure of the City Centre is complex and comprises a multi-layered system of leases. This is broken down into:

 $<sup>^{1}</sup>$  The study conducted to develop information for chapters 3 and 4 of this document takes an area within the city centre as the study area and this is outlined in Blue in the map below.

#### Freehold

Plymouth City Council (PCC) owns the freehold to the majority of the city centre with only two other freeholders operating.

# **Head-Leases**

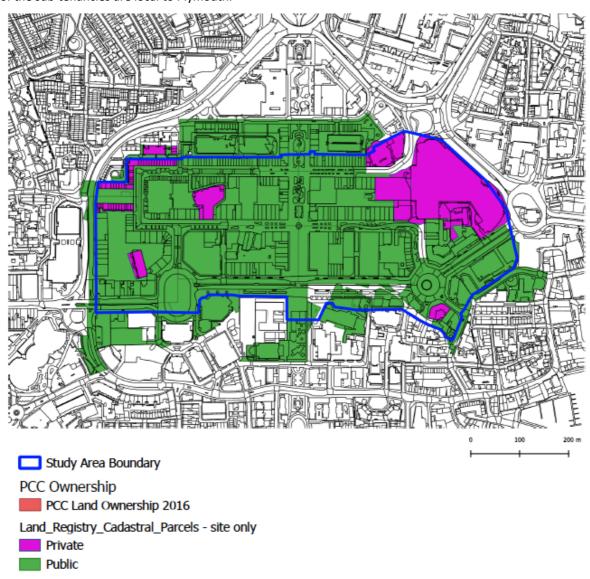
After the war the City Council as freeholder divided the city centre into plots and granted building leases to developers who in turn constructed and let the buildings on rack rents. These investments were subsequently sold to institutions. These passive investing institutions, many of them pension companies based outside Plymouth, remain as investors in receipt of the rental income. CB Hillier Parker's 2000 review of the City Centre identified the total number of these head lessors as approx. 13.

### **Under-Leases**

Under-leases (or sub-leases) are long term leases (typically the term of the head-lease minus 1 day) that are part of the domain of the appropriate head-lease. under-leases have no duties to Plymouth City Council as freeholder, and only have duties to the head leases.

#### **Sub-Tenancies**

The head-leaseholder or the under-leaseholder can grant short term tenancies (5-10 years) to commercial units. These short-term tenancies are the 'sub-tenancies' and mean that in some cases there are up to 5 layers of ownership on one property with little or no direct relationship with PCC. Our research shows that only 28% of the sub-tenancies are local to Plymouth.



Plymouth is a unique situation where nearly all of the freehold in the City Centre is owned by the council. When considering the existing buildings however, the city council currently has little power over who or what goes into these buildings due to the complex layered system of ownership. PCC does however have significant control over who the head leaseholder is when the lease expires or is sold, something we will refer to later in this document.

## 3.3 The relationship between ownership and usage

Evidence suggests that the existing ownership structure is a hinderance to achieve high street objectives around diversification, start-up, independent traders and community benefit.

#### **Commercial property owners deciding their tenants**

Commercially owned properties will mainly be occupied by uses that can pay the market price. Assuming that the head-leaseholders are investors, they will want the tenants to be 'low risk', this defines many of the uses in the city centre. This decision making extends to their under leases and so on.

Furthermore if rents are low and margins are tight, owners may simply choose to incur the small, predictable cost of holding a vacant property rather than take on the hassle and risk of letting it out. Occupied commercial property incurs multiple costs and risks for the owner – management, repairs, taxes, , business rates etc – that vacant property does not.

# **Local Authorities deciding their tenants**

The Council is legally required by virtue of section 123 Local Government Act 1972 to get 'best consideration' for leases over 7 years. It is recognised that longer leases can be advantageous to raise capital. This is usually achieved by properties being publicly advertised and leased at full market rent where possible.

Standard processes for Local Authorities do not consider whether wealth stays in Plymouth, how leases impact vacancy, what wider economic and social benefits come from active shops, or wider impacts on footfall. In summary, only financial value is considered and use has limited influence on council leases.

The above processes mean city centre commercial spaces will become and remain vacant until a commercial tenant is found, rather than offering mechanisms for alternative use and easy entry. The diagram below illustrates how different contract arrangements are needed to support different usage.

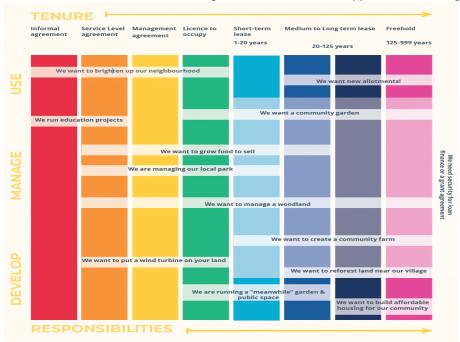


Diagram above by Kate Swade (Co-Director, Shared Assets) redesigned and published by CLES in Liverpool Land Commission, 2021, page 29

#### 3.4 Why local or community ownership is important

There is growing national interest in the positive benefits generated by community businesses and organisations taking on a central role in the revival of high streets and town centres. From the Levelling Up White Paper and policy research by the No Place Left Behind Commission and think tanks such as UK Onward, to the grassroots programmes and campaigns led by Local Trust, Power to Change and others in the community sector, many more voices are recognising the potential of the community-led high street. Power to Change's evidence of the benefits of community ownership on the high street is particularly compelling:

"Local or community ownership models have proven to revitalise local economies - a process called community wealth building. Community-owned commercial spaces keep 56p of every £1 they spend within the local economy, compared to just 40p for large private sector firms. Furthermore it has been shown that community owned city centre spaces can serve as an important 'destination space', which drives footfall to other high street businesses."<sup>2</sup>

(Take Back the High Street: Why Now Is the Time for a High Street Buyout Fund, 2022)

Plymouth City Council has already made significant advances towards supporting alternative ownership models. 'Doing it Ourselves' is the City Council's strategic action plan to double the local co-operative economy by 2025.<sup>3</sup> The strategic action plan has five growth areas including "community owned infrastructure" with strategies to finance, support and inform the development of community-owned assets. The city also has a social enterprise strategy – Plymouth: A Social Enterprise Strategy 2020 – 2025 – in which a high priority objective is to stimulate the development of a better policy and legal framework for community businesses and social enterprises to take on physical assets.<sup>4</sup>

Plymouth City Council's recently refreshed Community Asset Transfer policy 2020 is aimed at 'organisations that provide services for the benefit of citizens in their community without distributing profit to private owners.' The new approach to asset management has been developed, with differential leases to tenants based on the wider value of the activity they deliver.<sup>5</sup>

However, the policy states that it 'would not normally apply to the Council's commercial property estate where a full market rate would be expected', thus limiting its use in relation to the high street. The policy also remains unclear on whether properties can be transferred based on 'community benefit' rather than 'community use'.

Since the late 1990's a group of organisations have established Plymouth as a national example for community asset ownership (Real Ideas Organisation, Nudge Community Builders, etc.). Nudge Community Builders, for example, are developing a proposal for a Community Land Exchange, a community land bank that can de-risk the process of developing land and property for community benefit, retaining the uplift in values that result within the community.

#### 3.5 Accelerating change on the high street

There is an array of alternative ownership models available, some of which enable greater community use and social impact. This creates potential to open up the city centre for housing, health, dentists, social enterprise, and many other uses. Working with structures that have a leaseholder or tenant with a local social enterprise structure that enables community ownership is likely better for enabling community benefit and social impact.

We firmly believe that the Local Authority should remain the freeholder wherever possible. This ensures that

<sup>&</sup>lt;sup>2</sup> (Take Back the High Street: Why Now Is the Time for a High Street Buyout Fund, 2022)

<sup>&</sup>lt;sup>3</sup> See <u>here</u> for more details. (Plymouth City Council, 2018)

<sup>&</sup>lt;sup>4</sup> See <u>here</u> for more details. (Plymouth Social Enterprise Network CIC, 2020)

<sup>&</sup>lt;sup>5</sup> (Community-Led Development: A Roadmap for Asset Ownership, 2021)

<sup>&</sup>lt;sup>6</sup> Refer to pages 42-46 of <u>this report by CLES</u> for a summary (*Community-Led Development: A Roadmap for Asset Ownership*, 2021)

the land is used in the interests of the wider public. If transferred to any other party, there is the risk of increasing private ownership and increasing wealth extraction from the city.

Freeholder	Public Sector (PCC)	Public Sector (PCC)	Public Sector (PCC)	Public Sector (PCC)	Public Sector (PCC)	Public Sector (PCC)
Head leaseholder	-	Local Benefit*	Local Benefit*	Local Benefit*	Private Sector	Private Sector
Under leaseholder		-	-	-	Local Benefit*	Private Sector (if there is one)
Tenant		Public Sector	Community Benefit	Private Sector	Private Sector	Private Sector
	Public good and social value	Not for profit	Not for private profit	Profit benefits business and local community	Profit benefits business, local community and then leaves Plymouth	Profit benefits tenant then leaves Plymouth

<sup>\*</sup>Local Benefit Organisation = Diverse mix of structures including community land trusts, development trusts, social enterprises, community benefit societies, cooperatives.

As the chart above shows, there is a vast array of options between exclusive private and public ownership models where different ownership structures can arise with the council remaining freeholder. At the moment the only models that exist in Plymouth are the outer two columns in the table above, meaning that we are not making full use of the available models.

The space between the private and the public sectors is defined by some degree of local or community accountability. This means that we recommend the models of ownership that should be explored further are for getting organisations with some form of asset lock into building ownership or management.

## 3.6 Local Benefit Organisation

The Local Benefit Organisation could be a property ownership and management company that would pay PCC the commercial land rents currently paid by the pension companies, reallocate profits made from commercial tenants to community benefit, and define rental terms based on use. For this study we are going to term this organisation the: Community Benefit Management Organisation (CBMO).

The CBMO would be more flexible in its ability to provide leases to private social tenants - as a not-for-profit organisation. This would bring new uses to the city centre in both short and long term.

We recommend that the Local Authority facilitates the creation of this organisation. Local Authorities can use their power of convening to have conversations around the social value of existing leaseholders and gather

their views on the benefits and structures of the CMBO. We recommend that the purpose of this organisation is to reinvest profit back into the building stock that it owns through new uses, housing, subdivision and other tactics to encourage innovation, enterprise, and footfall.

The good example of this sort of partnership and organisations is Plymouth Energy Community. *Plymouth Energy Community (PEC) was set up in 2013 and incubated within Plymouth City Council, with key staff initially paid through the council. In 2014 they set up PEC Renewables, another Community Benefit Society to fund, install and manage community-owned renewable energy generation. In 2020 PEC Homes was established as an independent community land trust. Now PEC holds solar farms, develops community led housing and runs multiple programmes fronting progress on climate action in Plymouth.* 

Structures for the CBMO may vary and will be influenced by local need and the strength of existing partnerships, but could include:

- The Public Common Partnership (PCP)
- Community Land Trusts
- Community Land Bank

Baltic Creative CIC is another example of alternative models operating for local use and benefit. Supported by Liverpool City Council, and with funding from the North West Regional Development Agency (NWDA) and the EU, Baltic Creative had the means to acquire and manage 18 large warehouses in the Baltic Triangle area of inner-city Liverpool. The space is now leased out at favourable rates to local start-ups and small businesses. As a CIC, Baltic Creative is a non-profit enterprise with an asset lock on the buildings it owns, ensuring all profits from rents are reinvested back into the development of the sector. The asset lock of the CIC legal structure enables this reinvestment and underpins its huge success in enterprise development. This effectively decommodifies the neighbourhood – Baltic Creative is now the largest landowner and anchor institution for the Baltic Triangle – enabling benefits to be enjoyed collectively.

# Chapter 4 Policy Change

The lessons learnt from the Plymouth Meanwhile Use programme make it clear that there are steps policy makers and asset owners can take to support increased positive change to re-imagine the High Street in to the future.

## **5.1 Creating the Conditions**

It is critical that meanwhile use is seen as a mechanism to kick-start ideas in vacant spaces. These ideas can be community, cultural or economically driven, but what is key, is that the overarching purpose and legacy should be defined before the process begins. One-off meanwhile uses can have significant benefits locally, but there is a significant missed opportunity to not build an exit plan and robustness into meanwhile use projects that allows them to flourish once the meanwhile use of a space cease. It is also critical to understand that many projects may not have a route to success already defined, and the meanwhile use is part of the process of developing that plan, by testing ideas in a safe and less risky environment. Critical to legacy is the principal of providing conditions that allow projects to flourish into the future.

#### 5.2 Meanwhile Use as a Solution

Can meanwhile use provide the solution to re-imagining the High Street? We think it plays a really important part for creating the foundations on change. It provides a method to test ideas and engage new audiences, and then administered correctly, goes a significant way to encouraging new ideas and de-risking initial experimentation in vacant units and spaces. Where the right conditions are created, projects can flourish and take on a life of their own post meanwhile use.

Through extensive research and testing of ideas since the 2008 financial crash, Turner Works have developed an evolving model for effective meanwhile use. Known as the pull effect: Populate, Unlock, Learn, Legacy. 'Legacy - we believe that the afterlife of a project allows for an evolution of place through the act of meaningful and productive engagement. The meanwhile project can thus be thought to incubate, inspire and inform people, businesses, communities and activities that are then capable of plugging into a longer-term proposal' Turner Works, 2018.

# **Chapter 5 Recommendations**

## 01 Undertake an ownership study of the high street

- Study the ownership data from the local authority and the land registry to map:
- Buildings where the LA are the freeholder and there are no leaseholders
- Buildings where there is a head lease and an under lease.
- The length of head leases and under leases to identify if there are any leases ending soon and map these times.
- Buildings where the LA are not the freeholder.
- Vacancy data to assess if there are any correlations between ownership and vacancy
- Size of units against business rates valuation to obtain approx. floor area rates to feed into possible future valuation studies.

# 01a Undertake an impact assessment of the existing high street

- Assess properties for suitable conversion to housing, for subdivision and for commercial wealth retention.
- This impact assessment or feasibility study should work with the above ownership study to help identify buildings that would be most suitable for transferring into CBMO ownership where on the ground floor new uses (including cultural) could be supported.

# 01b Map assets with head-leases of a value of £2m or less for the application of the Localism Act

• The Localism Act 2000 allows disposals at less than best consideration for social, economic or environmental reasons up to an undervalue of £2m which would mean that land can be let to other organisations at below market value where it is clear that it is for the good of the community.

#### 02 Establish a Community Benefit Management Organisation (CBMO)

- Stakeholders to creation a management organisation, facilitated by the Local Authority, that is set up as a community benefit society (or similar asset locked organisation) for putting city centre buildings into ownership that can be reinvested into the local area.
- Explore options for the structure of this management company to lease units for varying rates that can then encourage a wider variety of uses.
- Explore options for the structure of the management company to use profit from rents for developing housing and other capital changes within the city centre that can spark further investment.

# 03 Explore options for redefining the approach to assessing and evaluating potential leases longer than 7 years. (Linked to the Social Enterprise Lease policy recommendation)

- The LA to use their power of convening to have conversations around the social value of potential leaseholders. This can bring together some of the experts across the city to develop policy that starts to de-risks alternative ownership models.
- Options should include the impact of:
- Wider economic benefits of reduced vacancy
- Wider economic benefits of a variety of uses
- Wider economic benefits of local ownership and wealth building.

# 04 Design and Adopt a Vacant Units Management Strategy

Vacant unit management strategies (VUMS) are quite commonly used for larger mixed-use schemes through conditions on planning applications, therefore requiring a developer to develop a strategy for vacant units to discharge a condition on a planning approval. These are typically for larger commercial projects that will take a significant time to deliver, therefore land or buildings will be vacant for a significant time period. VUMS will typically consist of the following: - when a unit becomes vacant, the owner should commit to dress the shop frontage within an agreed timeframe if no replacement tenant is secured.

The owner could also agree to commit to making the unit available for short-term pop ups (at an affordable rate) on a monthly basis, using reasonable endeavours to secure pop up tenants whilst searching for a long-term tenant.

There is potential for a VUMS to also be utilised to avoid vacant ground floor commercial spaces being left over in new developments and could consider where it could draw on other areas of existing and potential legislation and local policy where applicable. The strategy should provide scope for the provision of meanwhile use leases and other special terms to encourage up-take by landowners and developers. The strategy would require a set of mechanisms to be introduced and would most likely hold the most weight with a specific policy within the Joint Local Plan.

Existing and potential legislation that could be included within the strategy includes:

#### **Letting Notices**

As part of the Levelling Up and Regeneration Bill (not currently legislation) local authorities are to be given a new power to issue letting notices requiring the owners of vacant commercial property in designated High Street areas to be let out. The local authority will have the power (under any potential act) to instigate a rental auction to identify a suitable tenant and the rent they would be willing to pay. The bill does not currently have any regulatory guidance attached so it is currently unclear on the specifics of how this policy could be utilised, but it is worth considering into the future.

#### **Section 215 Notices**

Section 215 notices have been available for use by local authorities as part of the Town and Country Planning Act 1990. Under the Act local authorities can serve a notice on an owner if the amenity of a part of the area, or of an adjoining area, is adversely affected by the condition of land or property in their area. The notice cannot be used for vacancy of a unit on its own, but it can be utilised where dereliction is occurring, which may be caused by vacancy and absentee landowners.

The section 215 notice and letting notices can act as a catalyst for change, whilst the specific policies are not about enacting a change of ownership or structure of lease on the High Street, the simple act of requiring an absentee landlord of any kind to have to consider a use in the space they currently intentionally keep vacant, may mean that they wish to dispose of the property rather than being involved in keeping it in active use. These mechanisms should be used in tandem with other mechanisms such as Community Right to Buy and ACV's to ensure they are utilised to their full advantage, and that the outcome of a notice being served has the potential to result in the community ownership of a building or space.

# 04a Establish and Maintain a Vacant Spaces Database

- Utilise existing NNDR data that PCC holds and publishes currently, cross-reference this against other
  metrics identified via the working group to establish a database of vacant units. This creates an
  opportunity to target specific units or areas based on principles established by the working group.
- Review NNDR descriptors for the purposes of a vacant spaces database to provide a clearer understanding of the typologies and ownership of vacant spaces in the city centre.
- This can then be updated easily when new NDDR information is published, with potential units being assessed against their impact / social value impact if utilised for meanwhile use.
- Working group to convene and identify opportunities and objectives.
- Quarterly reviews and updates of the database should be maintained.

Publish an interactive map of vacant properties online to encourage engagement between property
owners and meanwhile uses. This should be administered through the meanwhile use provider /
action group.

# 05 Create and Adopt an Alternative Leases Social Investment Leases (ESG Leases) Policy

Lease arrangements with a social influence are exampled throughout the UK. These leases can all have different terms and types of organisations that can be included, but there is a move towards including STOs (Socially Trading Organisations)<sup>7</sup> and most importantly, enterprises that are commercially driven into the fold. This opens the discussion up further and allows other creative business opportunities to develop on the High Street.

The Local Authority can develop a strategy for a fully inclusive set of principles for leases with a social stance and output. This can also be utilised as a best practice informative and management policy for private landlords.

This type of lease structure has the potential to appeal to landlords that are concerned over their long-term investment portfolios, by offering them an option to lease spaces in alternative ways that will not detrimentally impact them. It also provides an additional flexible way for alternative uses of the High Street to gain a presence via more flexible terms than they may be able to achieve under normal commercial conditions.

This type of lease does not constitute a fundamental change in the structure and legal position of the lease itself, the biggest shift is in attitude to the approach on reaching agreement on the terms. This type of lease structure can provide a much-needed bridge to alternative arrangements and uses on the High Street, which lean towards terms that alternative uses will be able to work within, rather than the standard commercial lease approach.

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<sup>&</sup>lt;sup>7</sup> Example leases <u>https://www.rbkc.gov.uk/newsroom/entrepreneur-sets-shop-social-investment-lease</u>

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Achieving both social and economic value from meanwhile use takes time, follow-up, and dedicated personnel. Affordable space may be an enabler of social and economic value, but support staff and a move-on strategy are needed to maximise that opportunity. Meanwhile, in London: Making use of London's empty spaces

Nicolas Bosetti & Tom Colthorpe

Centre for London, Oct 2018