

Workspace Operator Conversations - WLA

Organisation	Q1 : Where in West London would you want to be located.	Q2 : What scale of space would be of interest to you	Q3 : What rental costs would you expect	Q4 : Do you have plans to look at expansion in West London	Q5 : Any other comments about affordable workspace in West London?
Bow Arts	<p><b>YES</b></p> <ul style="list-style-type: none"> <li>We are relatively open though a priority for us would be accessibility – this is because we have no west London office and so staff will need to travel. All considerations are practical ones from our side..</li> </ul>	<ul style="list-style-type: none"> <li>If buildings are clustered we can work with smaller sq footage as we do in some east London locations.</li> <li>Our key driver is to be able to deliver Affordable rents – to do this our facilities must be full and generate sufficient surplus to cover the additional staff time required on top of general overheads.</li> <li>Short answer: small margins need more space capacity to cover costs 15-20,000 sq ft 2,000 sqm</li> </ul>	<ul style="list-style-type: none"> <li>Depends on what is expected to be deliver for the project - i.e. our usual model delivers local educational work and training - which helps build the local cultural infrastructure which should be considered when reviewing the rent.</li> <li>We are aware that rental costs in west London are considerable higher than East and it may not be appropriate for us to deliver additional community services in these locations.</li> <li>A GLA survey in 2018 stated a target artist rental of £14/sqft</li> <li>In East London (zone 2) this has been pushed up to £18 - £20/sqft in certain areas – we are aware rates are a lot higher in areas – however our works shows this is not attracting the same client group that we serve.</li> <li>To be simple we allow FM costs at around £6.50/sqft and we suspect that you can add £1.5 due to additional staffing costs of west London location.</li> <li>If we have to pay £20% rates due to no charitable outputs we could pay up to £8/sqft</li> </ul>	<p><b>YES</b></p> <ul style="list-style-type: none"> <li>We have been talking to several Local Authorities' and individuals for the past 2 years – there is demand we are just waiting for the right opportunity.</li> </ul>	<ul style="list-style-type: none"> <li>We believe there is considerable opportunity for the development of visible studios space in the area.</li> <li>Larger creative industry business are well established across a number of areas this can create opportunities to subcontract out a range of smaller specialisms to these smaller specialists if visible supply chains can be established..</li> </ul>
This is Project / MillCO	<p><b>YES</b></p> <ul style="list-style-type: none"> <li>2 places looking / looked at: (1) Kensington &amp; Chelsea (We would consider to extend to H&amp;F); (2) Also looking at a big site in St Williams, gasworks near Heathrow (Hounslow).</li> <li>Other interesting opportunities include: <ul style="list-style-type: none"> <li>Barnet site: Barnet House, 11 storey plus annex. Ex council building. Interested to take on part of it, in stand alone annex. 110,000 sqft.</li> <li>Bracknell site - former council site 7 storey, 40,000 sqft. Slow start, most that come in want to take space. Filling up. Low introductory rent.</li> </ul> </li> <li>There used to be demand only within central and east. Now the demand is everywhere - Especially places where industrial converted to residential.</li> <li>We experience a lot of demand from people after cheap space (eg personal trainers). Not operating all hours but do need bespoke fit out and affordability to take business to next level.</li> <li>We see people looking to do their own thing where conventional office is not needed but they do not qualify for industrial open spaces.</li> </ul>	<ul style="list-style-type: none"> <li>Min 10,000sqft max 50,000 sqft (bracknell is 35,000 - 40,000 sqft)</li> </ul>	<ul style="list-style-type: none"> <li>Fully depends on rates</li> <li>Further out of central, the lower rent needs to be.</li> </ul>	<p><b>YES</b></p> <p>Viable Opportunities include:</p> <ul style="list-style-type: none"> <li>Along the Northern Line - Barnet of interest</li> <li>White City (H&amp;F)</li> <li>Out towards Heathrow -</li> <li>Ealing &amp; Southall definitely - good communications, a lot of development, things going on near airports, on basic level, always businesses looking to open up and activity near airports due to economic activity, people who come and go..</li> </ul>	<ul style="list-style-type: none"> <li>Lack of knowledge and impression foremost of West London</li> <li>East is established and north east London obvious next location. Same decision that co working has in White City, Brentford.</li> <li>For workspace, they believe the focus should be on redeveloping industrial sites.</li> <li>Green Rooms Hotel - that would be interesting to expand.</li> <li>Operator that does kitchen workspace and hotel could roll out in West London.</li> </ul>
ACME	<p><b>YES</b></p> <ul style="list-style-type: none"> <li>Definitely in Ealing, H&amp;F and Brent.</li> <li>We would consider other boroughs if the scheme was suitable, where interest aren't not market driven and sites are geographically agnostic.</li> <li>We have found some West London opportunities have schemes in typically "bad" locations (poor transport links; by transport infrastructure) etc.</li> <li>We also see opportunity in the Harrow road area as currently there is no provision in Old Oak scheme. Many artists seem to be concerned about future and waiting list for Harwell is long, despite no advertising.</li> </ul>	<ul style="list-style-type: none"> <li>Ideally between 1,000sqm-3,000sqm.</li> </ul>	<ul style="list-style-type: none"> <li>Acme's charitable activity is to support artists 'in necessitous circumstances'. The end user rent is calculated on what an artist can genuinely afford, rather than on link to market value.</li> <li>Our average rent from artists across our 16 sites in London is currently £12.48psf per year and is inclusive of business rates, service charge, management costs, repairs and maintenance.</li> <li>Any rental cost to landlords would need to generate a comparable end user rent.</li> </ul>	<p><b>YES</b></p> <ul style="list-style-type: none"> <li>Acme already manages studios in LB Brent <a href="https://acme.org.uk/studios/#/filter/all-spaces/details/harrow-road/">https://acme.org.uk/studios/#/filter/all-spaces/details/harrow-road/</a>.</li> <li>We are currently working with Catalyst Housing to convert a former Chapel in Southall, LB Ealing into affordable artists' studios with support from the GLA's Good Growth Fund.</li> <li>In addition, we have been in discussion with several developers about future schemes in LB Brent and LB Ealing.</li> </ul>	<ul style="list-style-type: none"> <li>As costs of living have increased in East London, particularly in LB Tower Hamlets and LB Hackney, many artists are moving to West London. There is currently a lack of high-quality, affordable artists' studios in West London and demand massively outstrips supply. Acme's most popular building is Harrow Road in Kensal Green which has a waiting list ratio of 1:27, suggesting the scheme could be replicated several times over.</li> </ul>
Creative Space Management	<p><b>NO</b></p> <ul style="list-style-type: none"> <li>No interest in West London due to "business decision to focus on midlands and north of England – geographic issue of capacity as much as anything else"</li> </ul>			<p><b>NO</b></p>	
Makerversity	<p><b>NO</b></p> <ul style="list-style-type: none"> <li>Not interested in West London due a desire to focus on Central London.</li> </ul>			<p><b>NO</b></p>	
Meanwhile Space CIC	<p><b>YES</b></p> <ul style="list-style-type: none"> <li>Within Zones 2-4 and within 15 minutes of good transport links.</li> <li>We want to see the placemaking and social impact from our work, and attract local people to develop and test their ideas so we focus on the opportunities to work in pre-regeneration areas or neighbourhoods undergoing significant change.</li> </ul>	<ul style="list-style-type: none"> <li>If it's an area we aren't working within at all, it would need to be around 6000 sqft of space, or multiple spaces within a neighbourhood that total around 8,000 ft2.</li> </ul>	<ul style="list-style-type: none"> <li>As a social enterprise our projects rarely make a profit, due to our capping of rents usually around 50% market value, and the high levels of social outputs we commit to delivering. As such committing to rental obligations is at best difficult, at worst fatal to our business.</li> <li>Our typical, and preferred model is a cumulative profit share, where the profit is monitored on an open book basis, and where there are high costs (setup and close down) or unexpected significant expenses (break ins, floods, end of life building expenses) these costs are shared across the project. This way, the risk and the rewards are both shared on a 50/50 and encourages true partnership. Service charge contributions and business rates are often burden enough, especially on some public sector projects where the service charge alone can be over £70,000 pa.</li> </ul>	<p><b>YES</b></p> <ul style="list-style-type: none"> <li>We have been working in Wembley and Willesden for 7+ years, and would consider OPDC and other areas which meet our objectives.</li> <li>We are interested in the legacy and impact of our work, so would want to understand the strategic direction of the neighbourhood before taking a space on.</li> <li>There needs to be a drive to support a local independent offer in future, supporting startups, creatives or social enterprise to establish and grow in to the long term offer of the area.</li> <li>There also needs to be the local demand for mixed use workspace, and good access to transport.</li> </ul>	<ul style="list-style-type: none"> <li>The only other thing to consider is CIL contributions - a few of our recent projects, which stand to support only local people, and where we have had to raise our own finance to deliver, are subject to Mayoral CIL. This is amounting to 6% of the build cost which has an exceptionally high impact on the viability and deliverability of the project. It seems to me if we want widespread affordable workspace in London we need to be really careful not to push for too much - in the form of rental contributions to the landlord, risk burden on the operator, capex raised by operator, high design standards, CIL, below market rental space, trainee opportunities, London Living Wage commitments etc. At some point all these requirements become unsustainable for small operators to deliver.</li> </ul>
Second Floor Studios & Arts	<p><b>YES</b></p> <ul style="list-style-type: none"> <li>Anywhere with good transport links - especially Hammersmith &amp; Fulham.</li> <li>We have a project in Wembley Park so we would seek to cluster near an existing project. We are in talks about another site much more central.</li> </ul>	<ul style="list-style-type: none"> <li>20,000 sq ft+ and ideally all located in the same building or adjacent buildings.</li> <li>No real limit that they could foresee.</li> <li>They believe if they had a 30,000 sqft space opening in West London today, it would be filled without an issue as they currently have long waiting lists.</li> </ul>	<ul style="list-style-type: none"> <li>If we are to pass on ground floor studios at £18psf we need to rent, including service charge and VAT at £10 psf</li> </ul>	<p><b>YES</b></p>	<ul style="list-style-type: none"> <li>There is very little existing provision in West London and it has the low provision of workspace for the artist community</li> </ul>
Mainyard Studios	<p><b>YES</b></p> <ul style="list-style-type: none"> <li>Anywhere offering reasonable location for creatives.</li> <li>what matters most is affordable space and proximity to creatives.</li> </ul>	<ul style="list-style-type: none"> <li>They provide offices of sizes up to 250sqft.</li> <li>Their buildings range from small 2 storey to large 3 storey former office buildings.</li> <li>Their smallest is 3000 sqft and would not look for anything smaller than that as being viable.</li> </ul>	<ul style="list-style-type: none"> <li>They do not rent - they purchase outright.</li> </ul>	<p><b>NOT CURRENTLY</b></p> <ul style="list-style-type: none"> <li>No concrete plans in particular but looking to operate a place for music studios that is affordable and with good transport links.</li> <li>5000 sqft over 2-3 floors away from residential areas.</li> </ul>	<ul style="list-style-type: none"> <li>Due to cost of land involved at many locations they end up having to pass on high rent cost to end consumer and find it difficult to rent out affordable workspace.</li> <li>It would be useful for a central location to provide listings of workspace providers that can be posted in local libraries or locations that residents can access. It is currently difficult for people to find information.</li> </ul>