

Investing in Creative Communities

ARTISTS' STUDIOS AND THE HOUSING SECTOR

A Guide for Local Authorities, Planning & Regeneration Professionals and Developers





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This guide has been written to help local authority and developer communities understand how affordable artists' studios can be an effective addition to housing developments, capable of creating vibrant, sustainable, mixed-use neighbourhoods.

It has been produced by the **National Federation of Artists' Studios Providers** (NFASP), the professional body which supports, connects and represents all those who manage and develop affordable studio space for visual artists.

ACAVA's Flying Angel Studios, Canning Town, London, purpose built in collaboration with registered social landlord, Look Ahead Care and Support. Photo: Phil Coy.

The guide forms part of an advocacy project sponsored by Arts Council England's Grants for the Arts programme. It is one of five documents in a suite of guidance notes for local authorities, planning and regeneration professionals, housing specialists and developers. The other titles are:

- Financing Artists' Studios
- Renovating Buildings for Artists' Studios
- Work-Live Artists' Studios as Facilitators of Creative Communities
- The Provision of Affordable Artists' Studios: A Role for Spatial Planning

More information, advice and case study examples, developed by NFASP, may be found at www.nfasp.org.uk

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The Artists' Studio and Housing Sectors: Economic and social benefits of collaboration

This guide explores how artists' studios can be an effective addition to housing developments, bringing beneficial social outcomes to local neighbourhoods in a cost effective way. It provides practical guidance and information to local authorities, housing associations, landlords, developers and others who are considering making space available for artists within a residential community.

Artists' studios do not directly generate high rental yields. Developers sometimes 'write off' difficult to let space by leasing it to studio providers. However, artists' studios offer an innovative use for difficult to let spaces within mixed developments. They bring creative people into local neighbourhoods, helping create a new identity and economy for an area, offering security, activity, and culture. Artists' studio providers often have a range of skills and talents; they frequently help deliver local community services and drive economic development as an



Bow Arts, P1, purpose built studios in partnership with East Thames Housing. Photo: Bow Arts.

integral part of the development of their studios. The guide seeks to demonstrate the wider impact of artists' studios on housing developments and residential neighbourhoods. They can be extremely cost effective investments in the right circumstances. The purpose of this document is to make the case for that wider perspective: one that takes wider impacts into account in measuring commercial returns and value for money.

Financial pressures and the housing sector

Local authorities are under financial pressure and continue to seek considerable planning gains for local areas. Meanwhile, tough market conditions make it more difficult for developers to both offer substantial benefits and also sustain commercial viability.

Housing development has become more competitive; even before the recession developments increasingly worked hard to create distinctiveness through design, environmental standards, and lifestyle branding. Since 2008, housing has become more difficult to finance, the market more risk averse, and the planning framework no less demanding.

For others, effective housing management is the priority concern. How can estates and neighbourhoods be supported in a climate of diminishing public funds, such that communities become more self reliant, economically and socially?

Artists' Studios: an effective response

Managers of artists' studios have developed financial resilience out of long necessity. Studio providers are skilled and experienced in bringing redundant spaces into use in low cost ways, using materials economically for maximum benefit. They support communities of some of the UK's most talented creators.



Bow Art, P1, purpose built studios in partnership with East Thames Housing.
Photo: Olly Harrup.

Studios can make commercial sense. There is a high demand, and consequently studios have negligible void rates. They are easily scalable, able to expand and contract quickly, and so can respond flexibly to a landlord's requirements. Although returns are lower than for other uses, the certainty of high demand coupled with flexibility means studios are sometimes the best solution to a depressed commercial market.

Artists' studios can help populate a new area from the outset with friendly, welcoming people. Artists are often willing to work actively to build community life; as registered charities, most large studios are legally mandated to deliver public goods by meeting their charitable objectives. Many studios bring cafes and cultural amenities that can also serve the wider community. In this way, studios can offer a cost effective means of creating and managing community infrastructure, providing sustainable, self-financing returns to the community over the long term.

Effectively supported, a community of artists can help remove the risk from a development and

create a community. Such intangible benefits are easily declared, often sought, but more rarely delivered.

Artists' studios offer a creative way of shaping identity for a development, building in community sustainability, and responding to planning obligations. The case studies in this document illustrate some possibilities; more examples are available from the NFASP website. www.nfasp.org.uk

Working with the housing sector: some case study examples

There is a wide variety of ways that artists' studio providers are working with - or have worked with - the housing sector to help establish studio provision into developments. This ranges from leasing properties from housing associations to studio providers having charitable housing status in their own right. The following case studies illustrate the different types of arrangement already in place.

Artists' Studios working in partnership with Housing Associations:

Bow Arts and East Thames Housing

Bow Arts Trust and East Thames Housing Group collaborated to establish artists' studios in East London. Taylor Place is a mixed-use development of 177 residential units, 12,000 sq ft of commercial/retail space and 5,000 sq ft dedicated to community uses as part of a Section 106 agreement. Bow Arts fitted out the studios at a cost of £55,000 with a loan from the Charity Bank.

East Thames Group were confident they could fill the residential scheme, but anticipated problems in letting the commercial space and making effective use of the community space. Bow Arts offered to use the latter for artists' studios and negotiated the principle that this would be compatible with the local authority's Section 106 requirements. Understandably cautious at first, East Thames offered a 5-year free lease. They converted the shell to create 12 high quality affordable artists' studios that are able to house up to 25 artists. The Planning Authority supported the scheme and granted it a zero rates award in order to guarantee the maximum return to the community.

Bow Arts manages the day to day running of the studios for artists who pay an affordable inclusive rent. The rent to artists is approximately 50% of the commercial levels in the area.

The Trust invests 25% of the income from the studios into an education programme in local schools, which is managed under a Service Level Agreement with East Thames. They also managed the commissioning of a piece of public art for the central courtyard of this development for East Thames.

All artists are carefully vetted and sign up to be proactive members of the charity. This means they get involved in public events programmes, Open Studios, arts fairs and support an educational programme: all of which is also good for their careers.

East Thames soon came to see the value and longer-term impact the scheme made. It proved an affordable and effective way to add value and identity to the development. East Thames agreed to extend the original agreement to a 20-year lease under the same terms. The studios instantly added a new artistic identity that the residents liked; the cultural angle also proved a valuable addition to East Thames's marketing for the commercial scheme. The rental income from artists created additional funds to support an educational programme in local schools. This met East Thames's own community engagement brief. The scheme contributed to building further East Thames's broader story in the increasingly competitive East London housing markets: the cultural example was used to add value and provide a new USP for other bids for development opportunities.

Bow Arts, London SE1, 120 studios in partnership with Crisis the charity. Photo: Bow Arts.



Artists' studio development in a Housing Renewal Area

Manor Oaks Studios, Yorkshire Artspace

An innovative partnership between Sheffield City Council, Arts Council England, Yorkshire Green Estate and one of the UK's leading affordable artist studio providers, Yorkshire Artspace, instigated a project that resulted in two new affordable artists' studios in Housing Market Renewal areas in Sheffield. One of these was Manor Oaks Studios, situated within an inner city heritage site which was formerly the Great Sheffield Deer Park.

Yorkshire Artspace worked with partners in Sheffield City Council, Arts Council England, Yorkshire and Creative Places to develop a model for delivering artist studios within identified Housing Market Renewal (HMR) areas in Sheffield. Creative Places works in places experiencing housing renewal and growth; the group identifies opportunities to embed arts and culture within large-scale housing developments and community building programmes. The initial project comprised of three distinct phases: feasibility, advocacy and site assessment. A feasibility study (funded by Sheffield City Council & Arts Council England, Yorkshire) identified the level of demand for artists' studios in Sheffield City Region. Advocacy events and discussions were held in the three HMR areas about the potential public benefits of cultural activity

and provision in these local communities. The site assessment phase looked at essential and desirable features of artists' studio space and the practicalities of different sites in terms of ownership, funding and availability. A shortlist of seven sites was produced with mini business plans for each site.

Developers for the first two projects were found quickly, with Manor Oaks Studios being the first to complete in the summer of 2010. The partnership with Green Estate was of immense benefit to the project; Green Estate, as part of its landscape services, promotes and values traditional skills such as dry stone walling and wood carving. They also store heavy plant and machinery at the Manor Oaks site. This meant that not only were the louder, heavier craft practices suitable neighbours on the site, but there were also opportunities for the sharing of skills and services. The basis of this relationship influenced the selection process for the studio artists.

The capital cost of Manor Oaks Studios was met through £500k of LEGI funding (Local Enterprise Growth Initiative). In kind support was provided by Green Estate through landscaping, labour and provision of recycled materials.

Find a full account of Yorkshire Artspace's experience with Housing Market Renewal areas here: <http://artspace.org.uk/download-file/downloads/Manor-Oaks-CS.pdf>.

Studio space in new build residential developments

Timber Wharf, Hoxton Space Studios

London based provider SPACE created studios in a residential-led new build development by One Housing Group on London's Kingsland Road. Designated space for artists is provided in two distinct buildings within the overall complex. Initially a two storey building on the site was leased to SPACE, with 12 studios, which were opened in 2008. The new build aspect means that studios are well proportioned, insulated, with good natural light, heating and access to a shared kitchen and WC facilities. 8 railway arches on the same site were renovated in 2010, each one providing approx 1,400 sq ft of shared space for artists. Each arch has its own kitchen and WC, is insulated and supplied with heaters and a security shutter. Overall, Timber Wharf is an attractive option for artists as it is part of a secure, gated development with excellent transport links and located in the heart of one of the most vibrant and growing artistic and creative communities in the country.

The advantages to planners, developers, local authorities and housing providers of including artists' studios within residential/mixed use developments are well documented. Clearly, the opportunity to have the developer/housebuilder take responsibility for the building and fit out costs is a

tremendous advantage. For this to work well, housebuilders need to be involved in the project at the earliest chance. SPACE has experienced housebuilders coming to projects late, and this has an impact on getting the right bespoke space which is suitable for artists' studios.

Being part of a bigger mixed-use development also brings complexities relating to estate management. It is vital to get clarity on roles and responsibilities (between, for example, developers, studio providers, estate management companies, housing providers) for shared services such as parking, bin collection, shared entrances and dealing with noise for instance. If a number of agencies are involved in a mixed use development, managing issues becomes more complex and studio providers will have less autonomy for decision making.

Successful partnerships with commercial housebuilders

Acme Studios

Acme Studios, based in London, is one of the leading UK providers of affordable artist studio and living space. Its structure is unique. It operates as a charitable housing association supporting affordable rents for studios; it also offers a portfolio of work/live space within residential developments. Acme's core purpose is to provide workspace

for artists through the development and management of buildings for the artist studio market. Recently celebrating its 40th anniversary, Acme has considerable experience of successful partnerships with commercial house builders including Barratt Homes and, most recently, Telford Homes through the opening of the Matchmakers Wharf development in East London.

Earlier success stories include the Galleria development in Peckham, South London.

Galleria: flexible funding criteria, planning gain and meeting employment use needs

This was one of Acme's 'breakthrough' projects in a number of ways. Firstly, the Arts Council took a more flexible approach to the allocation of its Grants for the Arts Capital Fund by awarding a grant to Acme based on 'indicative' capital projects. This allowed Acme to respond positively to local complexity and unpredictability (e.g. in planning requirements, property negotiations etc). Effectively, all parties got what they needed by including studio provision with the 'planning gain' framework. Southwark (planning authority) met the requirement of employment use; consequently Barratt Homes secured planning consent and Acme went on to provide affordable studio space within the development. This planning gain model paved the way for similar residential development projects both for Acme and other providers around the UK.



Artist Gavin Turk opening purpose built Flying Angel Studios in a collaboration between ACAVA and registered social landlord Look Ahead Care and Support. Photo: Duncan Smith.

The studios were designed and built in partnership with Barratt Homes and provide 50 individual studio spaces or varying sizes across five floors. The overall development offers a mix of private and affordable apartments. Occupancy rates for the studios hit 100% within one month of opening in 2006. Since then, average occupancy has been 99.43%. This is demonstrably better than building speculative units (retail/business), which are often not taken up. Artists' studios will never be empty - and are an effective marketing asset for residential developments.

Some useful points to consider are:

- Be as specific as possible in Planning Gain documents (e.g. space is specifically for artists' studios at affordable rents etc).
- Be aware that Local Authorities have different approaches and levels of proactivity towards Section 106
- Relationship between developers and studio providers is crucial; most successful partnerships are when both parties want the same thing and speak the same language
- Developers move fast and will often drive the process; providers need to be able to move at this pace and be clear on specification.
- This is the right time for developers and providers to build a strong asset base and be ready for the return of capital grants from ACE and others in the future.

Further information, advice and detailed case study information are available from Acme at www.acme.org.uk

Leasing & partnership arrangements with housing providers

There are many other examples around the country of studio providers working with housing providers in different ways to support studios for artists in local communities.

East Street Arts, Leeds

East Street Arts, Leeds, collaborated with Unity Housing and together they developed a number of temporary art spaces, across a range of ethnically diverse neighbourhoods, with the support of some grant funding. East Street Arts has a 10 year lease arrangement with Unity and commitment to delivery of a range of public art programmes in local communities. East Street Arts also has around 60 buildings in England and Wales, many with studio spaces on temporary leases with private landlords.

Elysium Gallery, Swansea

Elysium, looking for new space for its gallery, acquired the former Baron's Night Club building on a 10-year lease from the landlord, Coastal Housing. Coastal Housing approached Elysium direct due to their known interest in the Creative Hub, Swansea. Coastal is also investing money in the building's renovation as part of this partnership agreement with Elysium. Coastal and Elysium formed a partnership to apply jointly for Arts Council funding to assist with capital works.

Ten good reasons for incorporating an artists' studio development in a residential community

1. Meeting planning obligations

Studios are a cost effective way for housing developers to meet planning obligations while bringing multiple benefits to the success of a development.

Planners often require housing developers to create active frontages on the ground floor of residential blocks. They seek retail or service uses that will contribute to making lively, well-used, safe streets. However, the structure of shopping has changed in the UK, and everywhere local shopping parades and local centres are struggling to find their economic role and cultural identity.

Artists can occupy spaces configured as retail units, taking advantage of shop windows and the spaces behind. Retail units can be sub-divided internally to create multiple units. A number of retail units can be aggregated to create a portfolio. On this basis, an artists' studio provider can be engaged to act as a managing agent.

Planners also frequently seek to create employment space within mixed developments. The yield from commercial space is likely to be lower than that from housing development; in some instances, market conditions may be such that commercial development of employment space may be unviable. Artists' studio providers can make use of such space that would otherwise struggle to secure financial viability.

2. Reducing rates

Many studios are registered charities, and as such are able to occupy space without paying rates. Unoccupied space attracts rate liabilities. Letting that space to artists' studios can therefore obviate that liability.

3. A cost effective means to bring space into use

Artists are skilled makers with craft skills; they are invariably practiced in sourcing and using materials cheaply and effectively. Artists are a pool of talent that can be deployed to generate cost effective, pragmatic ways to bring unoccupied space back into productive use. They

can fit out property cheaply, using innovative methods to create visually attractive, functional spaces.

In some circumstances, artists' studios can be an attractive 'meanwhile' use for empty property. The studio providers need to provide stability to artists who prefer long-term leases; however, with the right terms, artists can be given plenty of notice and providers can plan ahead and manage move-on spaces.

4. A friendly safe vibrant interesting presence

The presence of artists' studios in local neighbourhoods can make them more friendly, safe, vibrant and stimulating. Studios bring presence and life to mundane or failing places. Studios also offer direct economic and business benefits to housing developers, providers and managers. Promoting artists' studios within housing developments can be an imaginative way to meet planning obligations, to build an identity for a neighbourhood, make it more safe, attractive, and economically sustainable, manage the decline of old uses and functions, and replace them with a new economic use that

helps generate new community facilities. Studios are not a 9 to 5 use: artists work in the evenings and at weekends, thereby populating places and making them safer day and night.

5. Creating the identity of a place or an area

Archetypally, artists' studios have sprung up in the cheaper neighbourhoods of cities, in districts that offer a generous supply of cheap warehouse space, but close enough to the city centre



Bow Arts Open Studio event

to offer an urbane lifestyle to the artists. The artists contribute to an area's growing bohemian, alternative ambiance. As the area becomes safer, it attracts more middle class in-migrators and property values rise. The artists are squeezed out to the next outlying cheap neighbourhood in a process famously described as 'unslumming' by Jane Jacobs.

This is part myth and part reality. It accurately describes the process experienced by some inner city neighbourhoods in the last quarter of the twentieth century. The 'drift' of studios to new neighbourhoods continues to signal the arrival of a young, middle class constituency into a cheaper area, contributing to the creation of new cultural facilities and a richer identity than what went before.

However, the reality is this effect, the advance guard of gentrification, is not confined to old industrial districts of larger cities. Nor need the process be one that pushes out a traditional community from its neighbourhood.

Artists, the bedrock of cultural communities, have introduced new life and interest to a wide variety of neighbourhood typologies: seaside towns, outer

suburbs, market towns and villages. The reality is that market forces have changed the economic rationale for places across the UK such that the search for sustainability in the teeth of decline is everywhere. Artists' studios offer a tool in the box of sustainable regeneration.

6. Changing places and forgotten spaces

Much social housing in the UK was built in the confident period of planning and development after World War Two. Comprehensive planning sought to provide for the entire needs of communities. Zoning strategies were deployed to separate areas for industry from residential development. Shops, community facilities, garages, and play areas were designed and built into developments. The separation between the planners' designs for living and the real lives of local communities quickly became apparent; as the decades have passed the way we live has stretched that gap much further. Much work is no longer noxious; offices and homes can co-exist happily. Local shopping parades have struggled to survive the growth of supermarkets, out of town, and on-line shopping. What appeared progressive in the design of garages, community centres, and



Krowji, Redruth, Cornwall, The Melting Pot Cafe.
Photo : Lawrence Sutherland

shared amenities became dysfunctional through the combined impact of new social forces, changing habits, spending cuts, and perceptions of safety and security.

Similarly, the changing nature of work, including the decline of manufacturing, the requirements for higher specification commercial buildings, and the rise of flexible, part time and home working has given rise to abandoned factory and office buildings. Buildings respond slower than people

and processes to economic restructuring. Artists' studios can make use of abandoned buildings and spaces, turning them back into socially useful and sustainable locations for vibrant activity. Artists, part of the creative sector, reflect the greater importance of culture and services in the wider economy. They can both signal and support the response of a neighbourhood to economic change.

7. Providing community facilities

The creative people that arrive in a neighbourhood can be a source of service and enterprise. Charities have a legal mandate to provide public benefits and studios achieve this both directly by providing services to their artistic community and indirectly through education and community work. Some studio providers have developed a model that takes income from the rental stream and invests it into educational work and community provision.

The studios themselves frequently work successfully alongside cultural facilities and enterprises. The cultural facilities, including cinemas, cafes, galleries, workshops, can serve

both the artists themselves and offer valuable neighbourhood foci for local communities. Artists spend time in their studios during the evenings as well as during the daytime. They populate a neighbourhood, bringing activity and life to areas that may previously have felt threatening.

8. Raising skill levels and creating local employment

Artists frequently work part time, supplementing their creative practice, either in self-employment or running small enterprises, teaching, working in linked creative sectors or more easily available service sectors. All studios thus generate employment and build an enterprise base in an area to some degree.

Some studios place a greater emphasis on the creation of space for creative enterprises while others place the emphasis on space for practicing artists. Craft and maker studios, for example, sometimes place a higher emphasis on commercial success, rather than artistic expression or integrity. The growing significance of the creative industries for the UK economy has seen the emergence of a number of high value-added sectors with a

substantial creative content, such as the digital and media industries.

Practicing artists are typically educated to graduate and postgraduate levels. Artists raise skill levels within a community; active strategies can make use of these skills: targeting teaching or mentoring, raising performance in the local educational sector, bringing new entrepreneurial skills to a local economy.

9. Rooting students in a local neighbourhood

The expansion of Higher Education provision, and the emphasis on its education as a driver for innovation and enterprise, has been pivotal to the regeneration and improved economic prospect of a number of towns, cities and local places across the UK. However, the potential for neighbourhoods to prosper can be undermined if the local resources do not exist for students to 'step off' into work and post-education residential accommodation. The creation of artists' studio space can be particularly effective in supporting the longer term 'capture' of postgraduate students from universities that specialise in the arts, encouraging them to remain in residential communities.

10. Artists' studio providers: high quality estate managers

Artists' studios are mostly managed by an artists' studio provider: an agency, either formed by a collective of artists or otherwise created as a dedicated vehicle to develop and manage studios. The provider is dedicated to the effective provision and management of affordable space for artists, allowing the artists themselves to focus on their practice.

Artists' studio providers, especially those with a long track record, are experts in property and estate management. They are skilled and efficient in lowering housing management costs, securing cost efficiencies in management, maintenance and service delivery, as well as in providing wider relationship management, caring both for the artists themselves and ensuring good neighbour relationships are maintained. The providers bring good estate management skills into local areas. In some cases, opportunities exist to benefit from shared service provision in property management.

Creating the right agreement with an artists' studio provider

The most effective way to use commercial space as artists' studios, as with retail space, is to engage an artists' studio provider via a lease or a license to manage the spaces.

The studios will generate a rental yield, albeit lower than commercial values. Rental levels vary widely between areas. A balance must be struck between the length of leases offered to the managing agent and in turn to artists, to make the lease viable, and the flexibility afforded to the landowner/head lessor. Terms shorter than five years are less likely to be viable for the studio provider; terms of 10 years and more create conditions in which the provider can invest in long-term management, and help create conditions that will increase the value of the property over time.

A summary of benefits of artists' studios: building strong communities

- Artists' studios anchor creative people, art and cultural activity in their neighbourhoods.
- They build local skills, provide teachers, build up local enterprise based on makers and creative entrepreneurs.
- Studios thus help build sustainable communities, adding value to property and to local economies.
- Studios can deliver nationally significant economic and social impacts at the local level. The presence of artists' studios in local places thus supports the localism agenda.
- They respond to the need to reconstruct economies and build resilience in the face of recession; they support innovation and strengthen the economic and cultural conditions for Britain's future.
- More directly, artists' studios bring trustworthy citizens and good neighbours into local communities.
- In this way, studios serve the needs of a poorly served yet valuable group within society; they are also an incredibly cost effective way to make places work better.

Further Advice and Guidance

NFASP is the professional membership body for all those engaged in developing and managing affordable studios for artists in the UK. For further help and advice, visit the National Federation of Artists' Studio Providers (NFASP) website:

<http://nfasp.org.uk>

On the website, you will be able to access the following help:

- Perform a site search related to your enquiry.
- Access an extensive library of resource and guidance documents.
- Review the Frequently Asked Questions section.
- Join NFASP and access tailored support for members.
- Use the members' pages to ask a question online, or secure advice via the local and national networks.

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Cover:
Artist Poppy Whatsmore in ACAVA's Grange Walk Studios,
Bermondsey, London. Photo: Justin Piperger.