



# The future workplace

Tuesday 20 April 2020

**Presented by:**  
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Brachers LLP

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## Today's presenters



**Ash Jilani | Partner, Commercial Property, Brachers LLP**

[AshJilani@brachers.co.uk](mailto:AshJilani@brachers.co.uk)

Ash joined Brachers in 2002 after working at leading city firms Lawrence Graham, Decherts and Speechly Bircham and became a partner in 2007.

He has over 25 years' experience in commercial property and leads the firm's primary care sector. He has particular expertise in commercial landlord and tenant law as well as acquisition and disposals for tenants of business premises. Ash is the lead partner for corporate support and secured lending.



**Lee May | Partner, Commercial Property, Brachers LLP**

[LeeMay@brachers.co.uk](mailto:LeeMay@brachers.co.uk)

Lee has over 16 years' experience of advising clients in relation to town and country planning, environmental law and health and safety.

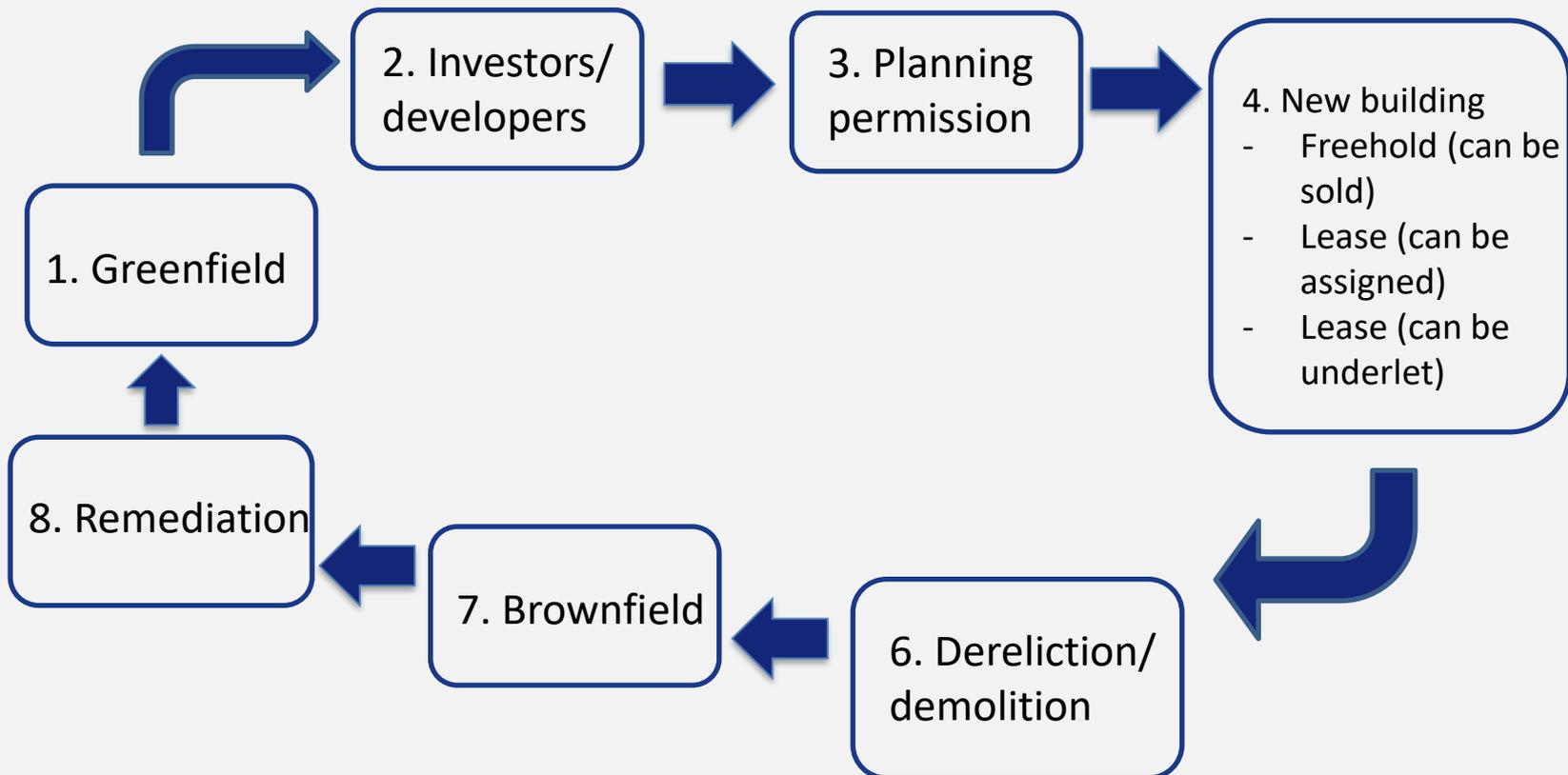
Lee negotiates and drafts planning obligations under s106 of the Town and Country Planning Act as well as Highways Act agreements and other development documentation. Lee appears for clients as an advocate at planning inquiries and hearings. He also specialises in helping businesses and individuals respond to regulatory proceedings undertaken by bodies such as the Environment Agency and the Health and Safety Executive, including enforcement appeals and criminal proceedings.

# More than just a building



- Occupiers
  - Workspace
  - Meeting space
  - Collaboration
  - Beneficial use and enjoyment
- Investors
  - Income: rent
  - Return on capital
- Property taxes
  - Capital gains

# The property cycle



# What drives the cycle



# Lessons from lockdown

- What we're happy to have lost
  - Commuting
  - Traffic/ adverse environmental impact
  - Presenteeism
  - Inflexibility
- What we've gained
  - Quality of life
  - Autonomy
  - Improved wellbeing
  - Increased productivity
  - Reduced stress

# Lessons from lockdown



- What we don't want to lose:
  - Human interaction
  - Relationships with colleagues
  - Relationships with clients/ customers
  - Social cohesion

# Flexibility

- Flexibility in legal documentation (leases, licences)
- Flexibility of physical space
- Flexibility of location
- Flexibility in new developments

# The COVID-secure lease

- Term
- Demise
- Change of use
- Alienation
- Surrenders of part
- Insured risks and the pandemic

# Short term

## Flexible use of existing space

- Alterations (the standard office lease)
  - Internal demise
  - No structural or external alterations
  - No internal alterations without landlord's consent (NTBUW/D)
  - Internal, non-structural, demountable partitioning (without consent)
- Is this good enough?
- Planning permission?

## Truly mixed-use developments?

# Medium term

Business  
centre 6

Business  
centre 1

Business  
centre 2

Central business hub

Business  
centre 5

Business  
centre 3

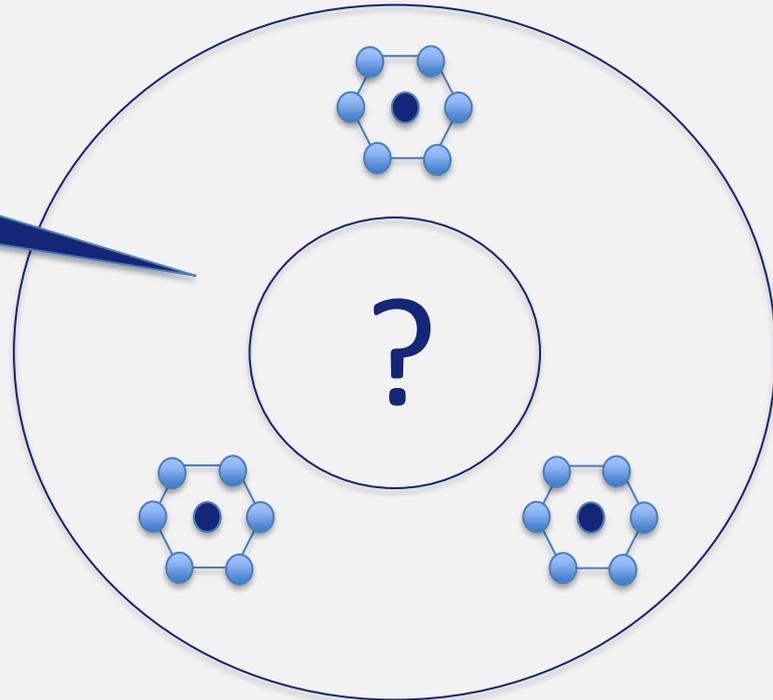
Business  
centre 4

# Long term

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## The 'doughnut city'

- Business hubs
- High streets
- Residential communities

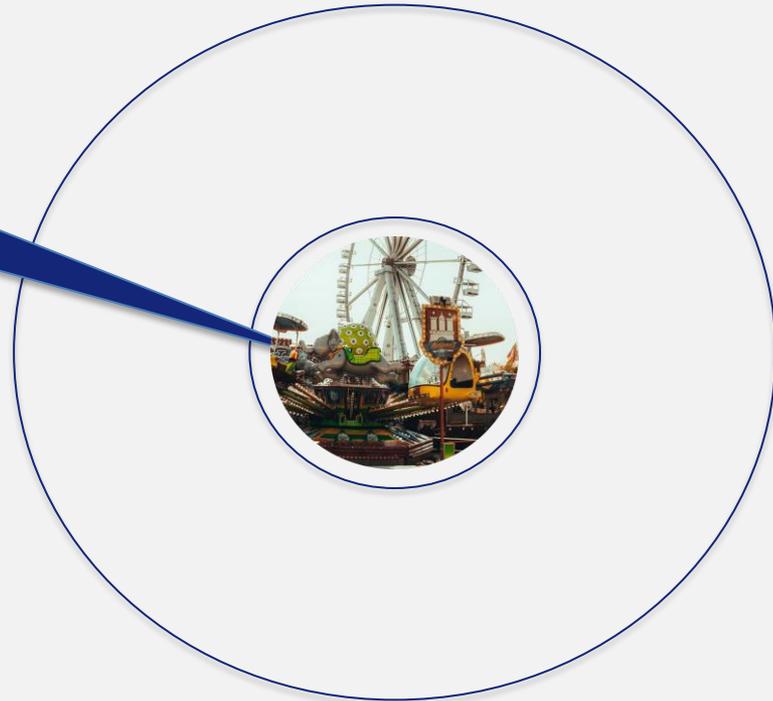


Long term

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## The 'doughnut city'

- Park land
- Theme parks
- Entertainment complexes
- Nature reserves



# Town and Country Planning



Planning Policy

The Need for Planning Permission

Permitted Development Rights

# Planning policy



## **National Planning Policy Framework (NPPF)**

Issued 2012 - updated February 2019

## **Local Plans**

Drawn up at District and Unitary Authority Level

**What is the future for planning policy?**

# Planning White Paper

Issued August 2020

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# Planning White Paper



Drafted in a COVID context . . . .

*The outbreak of COVID-19 has affected the economic and social lives of the entire nation. With so many people spending more time at home than ever before, we have come to know our homes, gardens and local parks more intimately.*

. . . but focused on delivering housing.

Nothing about how the economy or workplaces may change as a result of the COVID pandemic.

# Likely changes as a result of the COVID pandemic

## Likely changes as a result of the COVID pandemic:

### Short term:

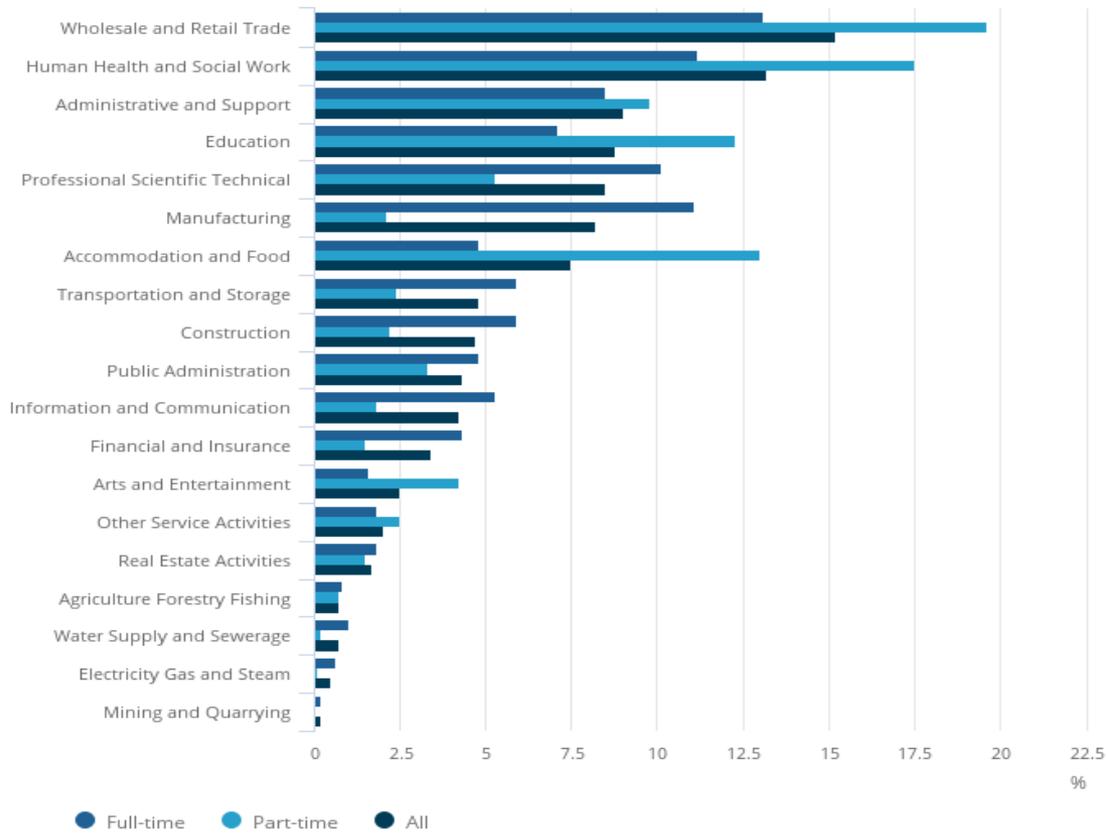
- Increased working from home
- Temporary closure of retail, hospitality, tourism
- Temporary medical/health care use of buildings

### Long term:

- Reduced demand for office accommodation?
- Death of the High Street?
- Transformation of town centers?
- Repurposing of buildings?

Figure 2: 15.2% of the UK's employees work in the wholesale and retail trade, repair of motor vehicles and motor cycles industry

The UK's employees by industry, 2018



Source: Business Register and Employment Survey, Office for National Statistics

# The need for planning permission



## **S.57 Town and Country Planning Act 1990**

*(1) Subject to the following provisions of this section, planning permission is required for the carrying out of any **development** of land*

## **Section 55 Town and Country Planning Act 1990**

*(1) Subject to the following provisions of this section, in this Act, except where the context otherwise requires, “development,” means the carrying out of **building, engineering, mining or other operations in, on, over or under land, or the making of any material change in the use of any buildings or other land.***

# General Permitted Development Order 2015



## **Change of Use . . . some examples:**

- Restaurants, cafes, or takeaways to retail
- Takeaways to restaurants and cafes
- General Industrial, storage and distribution to light industrial
- Retail, takeaways and specified sui generis uses to dwelling-houses
- Offices to dwelling-houses
- Storage or distribution centre to dwelling-houses
- Light industrial use to dwelling-houses
- Agricultural buildings to dwelling-houses

Prior Approval procedure – transport/highways/contamination/noise/flooding/natural light

October 2020. MHCLG announces that permitted development housing will have to meet space standards. Space standard begins at 37 square metres of floorspace for a new one-bed flat with a shower room.

# Changes to the use Classes Order 1987



Effective September 2020

## **Revocation of Use Classes:**

- A1 - Shops
- A2 - Financial and professional services
- A3 – Restaurants and cafes
- A4 – Pubs, wine bars, drinking establishments
- A5 – Hot food takeaway
- D1 – Non-residential institutions
- D2 – Assembly and leisure

# Changes to the use Classes Order 1987

## **Introduction of New Class E – Commercial businesses and services**

- For the display or retail sale of goods other than hot food principally to visiting members of the public
- For the sale of food and drink principally to visiting members of the public where consumption of that food and drink is mostly undertaken on the premises
- For the provision of the following kinds of services principally to visiting members of the public:
  - Financial services
  - Professional services (other than health or medical services)
  - Any other services appropriate in a commercial, business or service locality
- For indoor sport, recreation or fitness, not involving motorised vehicles or firearms, principally to visiting members of the public

# Changes to the use Classes Order 1987

## **Introduction of New Class E . . . continued:**

- For the provision of medical or health services, principally to visiting members of the public, except the use of premises attached to the residence of the consultant or practitioner
- For a creche, day nursery or day centre, not including a residential use, principally to visiting members of the public
- For:
  - an office to carry out any operational or administrative functions.
  - research and development of products and processes
  - any industrial process being a use, which can be carried out in any residential area without detriment to the amenity of that area by reason of noise, vibration, smell, fumes, smoke, soot, ash, dust or grit

# Changes to the use Classes Order 1987

## **Introduction of New Class F1 - Learning and non-residential institutions**

- Education
- Art gallery
- Museum
- Library
- Exhibition hall
- Public worship / Religious instruction
- Law Court

## **Introduction of New Class F2: - Local Community**

- Shop
- Hall / meeting place
- Outdoor sports – but no cars or guns!
- Pool / skating rink

# The future workplace



Recent changes to the Use Classes Order and General Permitted Development Rights have introduced significant flexibility for premises owners.

- Planning reduced demand for office accommodation?
- Death of the high street?
- Transformation of town centers?
- Repurposing of buildings?



**Any Questions?**

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