

# CASE STUDY

## PROPERTY FOR MISSION



THE CENTRE FOR  
**THEOLOGY  
& COMMUNITY**

## ARK coworking space, King's Cross: New uses for old spaces

October 2016



### Summary

*KXC is a relatively new church plant which meets in King's Cross, London and which has grown rapidly since 2010. It has no permanent buildings so rents space from others. The church has rented an old Victorian building in King's Cross and refurbished this to not only provide office space for the church but also to provide a new coworking space, being run as a social enterprise. This case study is a story of how a church has brought old spaces back into use and is using an enterprise-based approach to provide a business space with community at its heart.*



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## 1 – Context

King’s Cross Church (KXC) is a young church, planted out of St Mary’s Bryanston Square in 2010 and now six years old. Led by Pete and Bee Hughes the church has seen significant growth in numbers but has also developed new ministries and missional projects, including for the local community in and around King’s Cross.

The church has no permanent buildings to operate from, so has been renting space since it began. The church originally met on Sundays at the Lumen United Reform Church and then moved to the Ethiopian Church on Pentonville Road, where they continue to worship on Sunday afternoons and evenings.

As the church has grown, the need for office space for its team and ministries has also become more important. An innovative solution to this need also led the church into a new area for ministry – using empty office space to create new coworking space.

## 2 – TENT: Making use of an empty building

In 2012, the church was offered the use of an empty office building awaiting redevelopment on Pentonville Road, in King’s Cross – York House. It is a short distance from the Ethiopian Church.

The proposed arrangement was a classic example of ‘meanwhile use’, something which has become increasingly common in the property sector in recent years. The church took a lease for 15,000 square feet of office space for a nominal rent and in return the building’s owners were relieved of paying full business rates on an empty building.

There is a ‘win win’ in the arrangement, as the owner saves a significant amount of money on reduced business rates and the church has the use of a significant amount of space with no rent and only running/utility costs to pay.

The downside of such arrangements is that space is provided on a short-term basis only so that owner can take back the space quickly, which is what happened in late 2015, but the church did get to use the building for over 3 years.





*York House, now vacant awaiting redevelopment*

In York House, the church only needed one third of the space for its offices and church activities, so had 10,000 square feet more than it really needed. It was not particularly attractive or well-maintained office space – the building was after all slated for redevelopment.

A vision developed between the church leadership and some members of the congregation to see this surplus space reinvented and used for good. It was proposed that the space should be used to create a new 'coworking space' where freelancers could work. Coworking spaces have been springing up across London in recent years, but are often expensive. The difference is that this space would be free for those just setting out and also provide a community for freelancers who worked alone. The project was called 'TENT' and so a new ministry was born.

The work of taking low-grade office space and turning into an attractive, creative space was led by a small group from the congregation who had a passion for the idea. They also drew together the skills and time of others in the congregation to help them.

When the space was opened, freelancers were invited to use the space and also to contribute to keeping it clean and tidy in lieu of any fees. Regular social activities also encouraged a sense of community. TENT was open for a couple of years, until the church's lease for the building was terminated in the autumn of 2015 and so the project came to a premature halt. However, the church was keen to start again when it found new space and also learn lessons from Tent. So a second coworking project was founded – called ARK.



### 3 – ARK: Intentional community

KXC were forced to find new office accommodation at short notice in the autumn of 2015. They did so and decided to lease an old Victorian office and residential block just a few doors further up the Pentonville Road. In doing so, they decided to take on sufficient space to allow the development of a new coworking space and took the plunge, deciding to expand the space available as well.

In November 2015, KXC rented 6,000 square feet of office space at 237 Pentonville Road, over five floors, on a short lease. It has been taken at a commercial rent, although the quality of the space was poor, so the rent costs significantly less than more conventional office space in King's Cross.

As before, part of the vision was to take an old building in a poor state and breathe new life into it. The building was certainly in a poor condition and required four months of refurbishment to make it usable.

A group of people with a vision to see a new coworking space created was called together by the church's leadership and they have provided the skills required to make the vision a reality – project management, business planning, interior design, decorating, etc.

As before, members of the congregation played a key role in shaping the space – even the church's midweek groups got involved by providing teams to paint rooms.

Once the professional contractors had left the building in a more usable state, ARK was shaped and built by the church community; they took the empty whitewashed rooms and began to create attractive and usable spaces.



*Members of the church volunteered to refurbish ARK*

In February 2016, ARK's spaces began to open for business one by one and in May 2016, it formally launched.



## Coworking in London

Coworking spaces have grown rapidly in popularity in central and inner London in recent years. At the time of writing, there are over 150 different spaces offering 2100 desks. Some coworking spaces are for any users, others are designed for particular business sectors (e.g. design or high-tech businesses) and some are specially set up to promote business start-ups and growth – ‘incubators’ and ‘accelerators’.

Coworking spaces vary greatly in size, character and cost from ‘shabby chic’ through to polished steel and glass. Facilities and services also vary greatly. Users are usually given a choice about how they use the spaces, whether they just want to hot desk for a few days per week or month, or whether they want a fixed desk of their own.

The growth of such spaces is an indication of the growth of self-employment and freelancing, particularly in certain sectors.

### ARK: how it works

ARK has been formally established as a trading company which is wholly owned by KXC, a charity.

The church has taken on the lease for the whole building but the building is being used for different purposes:

- the ground floor has a café space and meeting rooms and is shared by the building’s users
- KXC uses the next floor for its offices
- two floors are run by ARK as a coworking space
- the top floor is let out on a more conventional basis to a couple of companies, including a social enterprise

ARK is responsible for running two floors of the building as a coworking space – nearly 2,500 square feet of space. They have fashioned the different rooms into different kinds of space for different users and also provided meeting rooms and kitchens. The space has character.

There are two part-time managers who oversee and manage ARK.

The aim is that ARK will cover all of its own costs (including its share of the rent) and make a modest surplus. ARK differs significantly from TENT in one important respect in that it is offering a higher specification of space and is charging fees to users – it is now a business seeking to compete with other coworking spaces.





However, in most other respects ARK is a natural continuation of TENT in the values and character of its enterprise – profit is not its main purpose, it is seeking to provide coworking space where members can find community rather than working alone and which is also more affordable. It seeks to run a great coworking space for freelancers and small start-up enterprises which embodies ‘Kingdom values’ of community and inclusion. ARK encourages coworkers to eat lunch together every day, runs a social evening once a week, puts on a series of TED-style business talks and encourages coworkers to ‘muck in’ in keeping kitchens tidy, etc.

As one of ARK’s managers puts it *“every business is a social business but they don’t all realise it. We recognise the role we should play in serving our members and society more widely”*.

They are particularly interested in attracting “creatives, social enterprises and startups”. The membership fees which ARK charges are well below market level and it works hard to be inclusive.

## 4 – Outcomes so far

ARK is still in its infancy, so it is too early to come to firm views on the project’s outcomes, but after five months of operation, progress has clearly been made.

A dilapidated Victorian building has been refurbished and brought into full use.

There are now 30 regular users of the coworking space, which is perhaps 50% of its capacity. Some members of ARK are KXC members, but most are not – it serves a much wider community than the church itself.

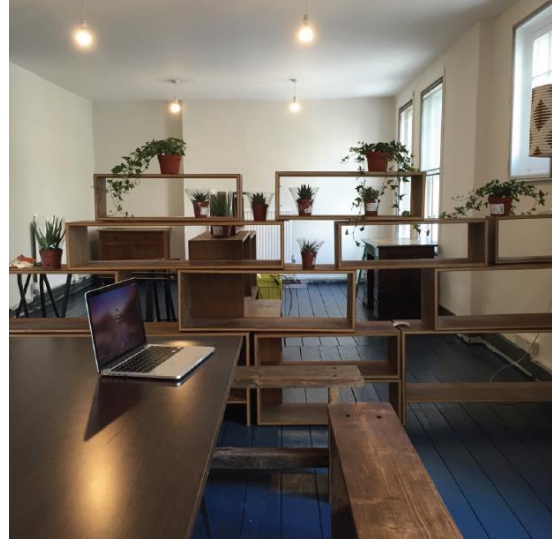
ARK has established a vibrant and sociable space for coworkers.



## 5 – Lessons

Throughout, those involved have been interested to reflect on how things have gone and to learn lessons.

- The project was initially borne out of the recognition of an unmet need amongst people working alone. It was therefore founded on a desire to serve others. There is potential for churches to think more about how they serve the needs of ‘workers’ in their congregations and more widely.
- Much was learnt from TENT about how to create and manage a coworking space successfully. A smaller project has led to a larger project.
- Drawing on the skills and time of the church congregation for certain elements of the project has saved money and increased ‘buy in’ to the project from the church.
- As ARK seeks to make its own way in a dynamic market place, it is also learning lessons as it discovers what works well and what works less well in the market place – the project is flexible enough to amend its services and pricing approach where required.
- Although coworking spaces like ARK may only work in certain locations where there is a demand for such spaces, and in buildings where a good working environment can be created, it may be a service which more churches could provide and/or a good use for certain kinds of church properties.



### Further information

For further information please contact ARK Coworking directly, either through their website or directly at [info@arkcoworking.com](mailto:info@arkcoworking.com)

#### ***Acknowledgements***

*Photographs were provided by ARK and also the author. The case study draws on desk research, visits and discussions with ARK co-managers, and was written by the Centre for Theology & Community.*

