





# Pop Up Shop Guide

**Town Centre Management** 

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### 1. The New High Street

Britain's high streets are changing and evolving fast. Town centres were dominated by the same familiar multiple retailers. The so called 'clone high street' is disappearing fast and being replaced by a much more diverse visitor experience.

With this change has come a new appreciation of small independent businesses and a greater awareness of the value they bring to a town centre.

Following the Covid-19 pandemic many people have developed a greater affinity for their local community. Feeling a deeper sense of belonging to the place they call home.

Despite all the turmoil of recent times, the high street remains a place where people can access a wide range of services. These include banks, building societies, opticians and pharmacies.

Emerging out of this period of uncertainty are some exciting and innovative ideas that are changing the way people live and work within a town centre location.

Town centre living is growing in popularity. With more investment in active travel plans, town centre living is increasingly seen as an attractive and viable option for a wide demographic of people. The concept of office space is being transformed by the creation of new collaborative workspaces.

These innovative buildings bring together technology and creative businesses under one roof to provide an exciting platform to help them grow. Alongside these are a variety of food providers and the development across the UK of 'street food' as a destination experience.

In line with the diversification of our high streets, the property market has also shifted. Leases are becoming shorter as landlords are being asked to adopt a more flexible lettings approach.

The idea of Pop-Up shops, which was once the preserve of quirky towns and city suburbs, has now become far more mainstream. They are recognised as a way to harness entrepreneurial spirit and help people set up a successful business.

### 2. Pop-Up Shops Explained

#### What is a Pop-Up Shop?

A temporary Pop-Up shop makes use of empty retail space. In order to make this happen, a tenant and landlord enter into a short-term lease which is usually for a period less than six months. The arrangement creates a temporary shop space that offers benefits to both parties.

# Why should a tenant consider a Pop-Up Shop?

#### A Pop- Up Shop offers:

- a chance to assess the suitability of a location without entering into a long-term commitment
- an opportunity to test a new business idea and gauge the demand for a product/service
- a versatile space that can be used for a whole host of activities including community projects, art galleries and workshops
- a platform to market new business ideas to a much wider audience

# Why should a landlord consider a Pop-Up Shop?

#### A Pop-Up Shop can:

- generate a small income
- transfer the responsibility for the payment of Business Rates from landlord to the tenant, as long as the tenant is in occupation for more than 6 weeks
- make an empty unit more secure and deter vandalism
- potentially lower the insurance premium on a vacant unit
- attract new tenants into a vacant unit
- improve the appearance and diversity of the high street
- offer a potential tenant the chance to try their idea making them more likely to consider taking a long-term lease



# Who pays Business Rates on a Pop-Up Shop?

When a Pop-Up shop takes occupancy of a vacant unit, the responsibility to pay business rates passes from the landlord to the tenant. This is as long as the tenant is in occupation for more than 6 weeks.

Notes in relation of business rates:

- occupied properties with a rateable value of £6,000 or less qualify for 100% Small Business Rate Relief and properties between £6,001 and £12,000 rateable value qualify for a reduced amount of relief on a tapering scale. (e.g. 50% relief for a £9,000 rateable value). However a ratepayer can only receive relief for a maximum of two properties on one rating list
- Pop-Up shops which are occupied by a registered charity are eligible for 80% mandatory charitable rate relief upon application

If you have a specific query relating to Business Rates on a Pop-Up shop you can contact the Council's Taxation team for advice.

Please email: taxation@bridgend.gov.uk

# Is planning consent required for a Pop-Up Shop?

If a Pop-Up retail shop is proposed for an existing retail unit at ground floor level, it is unlikely that there will be a requirement for a change of use planning application. However, a standalone Pop-Up unit may require planning permission depending on the location of the unit and the length of the lease.

Before embarking on a Pop-Up shop project, you may like to contact the Council's Planning Department for some advice and guidance on how planning consent relates to Pop-Up shops.

Please email: planning@bridgend.gov.uk



# 3. Steps to starting a Pop-Up Shop

#### Step 1. Find a vacant unit

Bridgend County Borough Council has an online **Town Centre Property Index**. Every retail unit available for lease or sale in Bridgend, Porthcawl and Maesteg town centres is listed. The Index contains a photo and description of each property, a map showing its location, the agent's contact details and where available, the agent's marketing brochure.

The council also collects <u>footfall data in Bridgend</u> <u>town centre</u> at Adare Street and Caroline Street, in Porthcawl town centre at John Street and in Maesteg town centre at Talbot Street. This footfall data shows how many people have visited that location each week and is a useful tool in evaluating pedestrian numbers in a particular town centre.

Bridgend County Borough Council owns two sets of market units which may be an option for a Pop Up shop depending on availability.

#### **Maesteg Outdoor Market**

An outdoor market is located in Maesteg town centre, this consists of 13 standalone units built around an attractive public space and set next to the historic Town Hall.

#### **Bridgend Indoor Market**

In Bridgend town centre, there is an indoor market located within The Rhiw Shopping Centre. The market consists of 33 stalls set around a newly refurbished event space which is available to hire.

Both markets are managed by the council's Property Team. For more details or an informal discussion please email <a href="mailto:property@bridgend.gov.uk">property@bridgend.gov.uk</a>

#### Make a plan

In a simple and concise way, set out your business case. One side of A4 is sufficient. This should clearly explain what your business idea is and how a Pop-Up shop will benefit the landlord.

#### Pitch your idea

Contact the property agents who are marketing the unit and ask them to present your idea to the landlord on your behalf. Having a well-presented business case demonstrates to a landlord that you are serious about starting a business and have thought through the







#### Step 2. Agree a short-term lease

If the landlord agrees, you will be asked to enter into a short term lease. At this stage you may want to consider obtaining some independent legal advice before agreeing to enter into a lease.

A short-term lease will cover the length of tenancy, details of the agreement between the tenant and the landlord. It will also set out some of the key responsibilities in relation to the property.

- who pays the utility payments (gas, water & electricity)
- who has responsibility for the security of the property
- · who pays for any damage caused
- who looks after the maintenance of the property i.e. fixtures and fittings

#### Step 3. Layout

Pop-Up shops by their nature need to be flexible spaces. It is worth giving some careful thought as to how to best utilise the shop to sell goods or deliver a service.

In recent years, there has been a move towards more experienced based shopping, which places a far greater

emphasis on the shopping environment and customer service. Remember, any furniture and fittings that are purchased will have to be easy to move around and portable. This is so that at the end of the lease the unit can be returned to its original condition.

#### Step 4. Branding

Because Pop-Up shops are temporary, they will attract interest from curious shoppers when they first appear on the high street. Therefore, it is important to think about how your Pop-Up shop is presented on the outside. It is also worth considering whether it is clear what the shop sells or the service it offers.

#### Step 5. Marketing

Social media is an excellent way to begin to promote your Pop-Up shop within the local community and create a buzz around the idea. Business Wales offers free courses on how to use social media within a business context. Visit the Business Wales <u>website</u> or Call **03000 603000** for more information.

#### And finally...

Having agreed a lease for a Pop-Up shop there are just a few things to consider before you open your doors to the public.



### 4. Logistics

Running a shop requires commitment and consistency. It is worth considering the hours you can commit to opening a Pop-Up shop each day. It is better to open for shorter hours but to be consistent, than have sporadic opening hours which can confuse and disappoint customers.

Simple things such as who opens and closes the shop everyday will need some thought as they may need to work around existing commitments.

For more information on starting a Pop-Up shop in Bridgend, Porthcawl or Maesteg town centres; please contact the Council's Town Centre Manager Andrew Highway on **01656 815225** or email: <a href="mailto:andrew.highway@bridgend.gov.uk">andrew.highway@bridgend.gov.uk</a>

Please note you are advised to obtain independent advice before entering into any legal agreement.

