

**Work & Careers**

## Your new office is just around the corner

Co-working is back, but now these spaces are informal, suburban — or even in a hotel lobby

The Arc Club co-working space in east London offers a cheaper 'work near home' option © Jorn Tomter

**Janina Conboye** SEPTEMBER 3, 2020

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A few months ago, the future of co-working spaces looked in doubt. The cautionary tale of [WeWork's hubris](#) — breakneck growth followed by near-collapse — was followed by a global pandemic that has kept office workers in their homes. Now, though, a new co-working model is emerging. And it's probably happening on a high street, or in a hotel lobby, near you.

The Arc Club is typical of these new “hyperlocal” spaces. Based in a retail space below a housing development, it is a carefully designed but simple space in Homerton, east London, offering a cheaper “work near home” option for freelancers, the self-employed and, since the pandemic, corporate staff who are bored with working from their bedrooms and kitchens.

Hannah Philp, its 35-year-old co-founder, came up with the idea while working in financial services. Her commute across the city was a nightmare, “but I didn't want to work from home because I lived alone and it just wasn't appealing”.

She wanted to create something affordable that filled this gap, while also serving the wider community and using hard to let retail space — something Ms Philp hopes to replicate at similar locations in other parts of London.

One user, a female tech worker who lives on her own in east London, says she likes the Arc because she found living and working at home “really hard”, especially since her job had involved a lot of travel. In the end, “even the smell of my flat was annoying me”. “I just got really lonely,” she adds.

Hannah Philp (L) and Caro Lundin at the Arc Club in Homerton © Jermaine Francis

Going to the Arc is not only a shorter commute — a 20-minute cycle, rather than a 30-minute Tube ride to central London — but “it has definitely made me more productive. The space is really light and bright”, she says. “Just having people around you as well, is more motivating.”

She also feels the sense of community that Ms Philp is seeking to cultivate. “Everyone I have spoken to lives in the area,” she adds, while there is also a diverse mix of people across different industries.

The development above the site is predominantly social housing and Ms Philp has ensured residents feel welcome. “We’ve made an effort to get to know our neighbours and they can come in and get takeaway or come and sit here in the café.”

The Arc is also providing out of hours space to local organisations, such as charities and community groups.

The Arc was designed by Ms Philp’s co-founder Caro Lundin, whose concept allows a space to be fitted out within weeks and includes modular private meeting rooms that can be moved around.

Modular space at the Arc in Homerton © Jorn Tomter

The Arc was due to launch earlier this year, but the finished fitout was delayed by the lockdown. As it turned out, this allowed Ms Philp and Ms Lundin to reconfigure the space to meet Covid-19 guidelines — although Ms Lundin was stuck in her native Sweden during lockdown and was managing everything over Zoom. (She has since moved there permanently and returns to London once a month.)

Ms Philp adds that the Arc is a different proposition to flexible co-working providers such as WeWork, whose sites are generally spread across central locations in large (sometimes listed) buildings that undergo major fitouts.

It is also cheaper and more flexible. Hot-desking costs £450 a month at WeWork’s Mark Square site in east London’s Shoreditch, for example, and \$430 at its West 126th St site in Harlem, New York. When the Arc launched, a rolling membership cost £180 a month — or £150 a month for those who committed to a year — but it will now offer more flexibility: this will include a £30 day pass and the option to share membership with one other household member.

Other “on demand” services are tapping into the desire for a convenient “work near home” option. According to [Gensler’s US Work from Home Survey 2020](#), only 12 per cent of people want to work from home full time, while younger workers are finding they are less productive at home.

Bryan Murphy, chief executive of Breather, a New York-based company that provides a global network of private office and meeting spaces that can be hired by the hour, day, month, or year, says the demand for more convenient flexible work spaces was already there, “but the pandemic has really accelerated it”.

Spacemize, in the W Hotel in Soho

Spacemize, founded last year by Saleem Arif, Saeed Al Ghurair and Zain Dhareeja, is a UK workspace network that capitalises on underutilised hotel lobbies across the UK including London, Birmingham and Edinburgh. Mr Arif says the company is targeting companies that are not renewing their leases and office workers stuck at home.

“Demand has increased post lockdown”, he says. Spacemize is also looking at additional hotel partners in more residential areas. It currently has venues in West London’s Ealing and in Shepperton in Surrey, just outside of the capital. Similarly France’s Accor, Europe’s biggest hotel group, has launched a “hotel office” concept where its bedrooms in hotels in the UK and across Europe can be rented for the day.

But the future development of flexible offices and other co-working space will really depend on the region, according to commercial real estate expert [Antony Slumbers](#). He says that residential areas of large cities that are less well connected to the centre than other neighbourhoods will benefit: Stoke Newington in north-east London, for example, and Wimbledon village in the south west. But such spaces are less likely in areas such as Fulham, with good transport links into the City in less than 30 minutes.

Small co-working spaces will probably also pop up in vacant shops in high streets, particularly in commuter towns, he adds.

There is also the question of who should pay for local flex-space — the individual or their employer? If an organisation adopts a strategy of largely remote working, adds Mr Slumbers, “on the basis that your lease is up, you would consider covering costs for a co-working space or other remote working costs”.

Potentially local workspace costs might soon be included as an employee perk. At £14.99 a month, Spacemize, for example, costs little more than a Netflix subscription.

However, Elaine Rossall, head of UK offices research at JLL, the real estate services company, strikes a note of caution. While there is a lot of talk about the development of suburban co-working locations, she says, “it is going to take 12 to 18 months to see how things bed down”. And while spaces such as the Arc aim to be more affordable, Ms Rossall adds: “You’ll see more young people returning to the office. Only a certain demographic can afford these suburban spaces.”

## Creating co-working by theme as well as location

© Holly Farrier

UK-based Huckletree, which provides flexible work space in London, Manchester and Dublin, aims to build specific “ecosystems” — thematic hubs where businesses sharing a space have things in common.

But there is also the option of a neighbourhood pass, where companies based in any Huckletree space can offer their employees access to a hub of their choice closer to home.

One client — Butternut Box, a dog food delivery service — has space in Huckletree’s Shoreditch base for its employees in east London, while its workers on the other side of town are based at the west London site.

While having access to a site nearer home helps cut the commute, it does not eradicate it entirely, so “the [Huckletree] experience has to make the commute worthwhile”, says co-founder Gaby Hersham.

She believes that designing space around how people work effectively and building networks and development programmes around that has helped Huckletree hold on to businesses. “Sixty per cent of members collaborate with one another,” she says.