



**MEETING NOTES**

Fresh Collection & Transport for London  
 Wednesday 28 April, 12:00 – 14:00  
 Virtual – Hosted by TfL via Teams

**In attendance:**

Mael Sassa	Proprietor - Fresh Collection
Charlie Harmer	Proprietor - Fresh Collection
Kim Ledstone	Solicitor - Transport for London
Paul Rogers	Property Manager – Transport for London
Oliver Robinson	Surveyor – Transport for London
Rehan	Surveyor – Transport for London
Leni Jones	Managing Director - Guardians of the Arches

Speaker	Comments	Actions/Ref
<b>Paul Rogers</b>	(in conversation with Leni prior to tenant joining the call) There's a considerable sum of monies owing and I just really want to try and arrive at some sort of amicable way forward that we can attend and address all of those elements.	
<b>Leni Jones</b>	Sounds good. Obviously, still waiting for the tenant to join. I think from my perspective, and, I'm looking after the tenants association of hundreds of tenants that I'm sure you can totally understand the position, sometimes we get one side of the story. And it's very helpful to be invited to the meeting today because it would be very helpful for me to understand what your experience has been, how these things have occurred from your side of the table, I just basically want to help the tenant work out a way forward in this current economy, which is pretty horrendous for everybody.	
<b>Paul Rogers</b>	I'm Paul Rogers the head of retail development. I'm responsible for TfL for this business area. In my view we need to find some common ground and find a way forward. I think there's a few misunderstandings that have gone on as well. And to be honest, well, I mean, I could have just waited, obviously, left, etc. But I've just wanted to sort it out, really, and I want to deal with any misunderstandings that exist and just move forward.	
<b>Paul Rogers</b>	we've been there to support our tenants and, and we've worked really hard at that. And I think sometimes with some of the things that are said where it's like, we have not been as supportive as we could be. People like Rehan and Oliver are on the front end of this for us. And they're really hearing some heartbreaking stories from people where their personally affected and their families who are affected. And, I think we've got to do the right thing, which is the most important thing for us. I joined the meeting I wasn't invited to start with, to be honest, I just want to see if we can find some common ground. I'm also here to clear up any misunderstandings that might exist about our approach and that sort of thing. And the most important thing for us is that, we want to support you as a tenant, and we want to try and find some way through this. Kim, sorry, you want to go first?	
<b>Kim Ledstone</b>	I am Kim Ledstone. I am in house solicitor working for TfL. So I've been	

	involved with this on the debt collection since towards the back end of last year, and sort of advising on best ways forward.	
<b>Rehan</b>	Hi, everyone. I'm Rehan. I'm one of the retail property managers in the station retail team, and specifically managing cash collection at Green Park and Oxford Circus where we've obviously had separate conversations about various issues.	
<b>Oliver Robinson</b>	Hello, and welcome. I'm the property manager as well as I am your property manager for Moorgate. We rather took a little bit of the attitude, bearing in mind rather than have so many different property managers dealing with yourselves, it was better that we just go in partnership and drive this forward. So I'm pleased, and thank you very much for coming on to this meeting. Hopefully we can arrive at a solution way forward.	
<b>Leni Jones</b>	Hi, I'm Leni Jones. I'm the managing director of GOTA. I'm here to see how I can help find resolution. But also to understand that the whole picture I guess, of what's happening here, I'm also representing hundreds of other tenants within the London Underground estate.	
<b>Mael &amp; Charlie</b>	Hello, everybody. My name is Charles. And I'm your tenant. Thank you.	
	We would like to understand what is happening as from our perspective there's a big disparity to what we're getting offered, and what other people within TfL are getting offered, what other private landlords are offering as turnover rent. Since last June, TfL hasn't really been forthcoming themselves, to offer anything to us. We're sitting here fighting for something which we don't feel we should be fighting for.	
<b>Paul Rogers</b>	So, again, hopefully, this is an area that I can clarify. So if you go back to when the pandemic hit last year, certainly the March quarter, we gave 100% relief. And that was consistent across all parts of TfL. It didn't really matter whether you were in one of our commercial buildings, retail is or whatever. So that was just blanket, that's what we did. In June, we gave 50%. But there was a provision on the 50%. But if you approach us, and help us to understand, your business has been significantly affected. We introduced one-way systems for commuters on some London underground stations, which meant that some of the retailers had no trade, we also closed stations like Victoria coach station as an example was, was closed, amongst other stations as well. So, it would be unfair to charge even 50% in those circumstances. So what we did is, we do 50%, but we also get a case by case basis approach. And, there's lots of retailers that we've worked with, which have received support in addition to 50%.	
<b>Leni Jones</b>	Was it small businesses, or large businesses that have received additional support?	
<b>Paul Rogers</b>	So the majority of small businesses, the large businesses also got support, but they actually got less support. So generally, they get 30% or less. And, that's, again, being consistent. And then when we moved into September quarter, then consistently with the other side of the property management part of TfL. We said 100% subject to us giving support, which was bespoke to each individual tenants requirements.	

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	<p>So I think, for us, what that really meant was, it needed to be different, it needed to be somewhere between zero and 100%. Really, what we needed is people to work with us and give us information to allow us to be able to determine the size of what credit should be. And it really was different. Because, and I sort of mentioned at the beginning, there were some real people who were suffering direct hardship as a result of what was going on. And it just impacted people in such different ways. So, we were able to tailor that then. So that, pick up a point. We weren't giving Costas huge amounts of support when we weren't offering something similar to small businesses who needed it more.</p>	
<b>Charlie &amp; Mael</b>	<p>I spoke to Rehan. In, May last year, telling him such I followed it up with an email because he didn't get back to me. I think on the 6 June, are you building a position forward. And still we didn't get anything? Nothing? We did come forward, we did speak but we got nothing.</p>	
<b>Paul Rogers</b>	<p>So sort of moving on next quarter, similar arrangement where it was bespoke to each of the tenants. The strategy with CD was the same. Sometimes the way we approached, it was very slightly different. In as much as there was direct conversations more within in-station retail, and there was more written communication. Although what I did was just get myself up to speed for this meeting. I was looking at the correspondence that went out. And the difference mainly on the correspondence was the name at the bottom of the letter. So, it was fairly consistent. So when the 50%, part of it came out in June, the letters were pretty much identical. So, there shouldn't have been a difference.</p>	
	<p>Now, I suppose, I'm going to put my hand up that we're all we're all human and we could either get it wrong, or we could miss understand from our side which happens. And, if that's happened, then I will absolutely apologise and we'll put our hands up, and we'll work with you to put that right. Now, I don't know the details in this. But in some ways, what I prefer to say is that maybe we draw a line a little bit under, what has happened in the past. And absolutely try to understand, where you are, what position you're in as a business, what support you need. So if we're starting afresh, again, really try and understand that.</p>	
	<p>In respect of the historic debt, that does need to be addressed, but it needs to be addressed in the right way. Because we are talking about debt that predates COVID, by a long way. And, it needs to be paid.</p>	
	<p>But what we have been doing with other retailers is, again, trying to really understand their financial position and agree, payment plans. I was involved with fresh collection a few years ago. And I was aware of the debt situation that existed then, and the payment plans were put in place, and obviously, they've weren't really always adhered to. So there's a history there. I would like to park all that history as well. And really try to understand. We need you to come back to us and say, this is what we need the support package to be, to enable our business to thrive as we come out of this situation that we're in now. And also, we propose this is how we deal with historic debt as well, and come up with some sort of payment plan.</p>	
	<p>We can see what's happening with footfall numbers. And it really is starting to pick up now. But it's not going to pick up some sort of significant amount until</p>	

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	probably around September onwards. So it could be that what we say is, we agree that we're not gonna pay back any historic debt until after September. And then what we do is we build in a review. So for example, if the passenger numbers don't return by September, in the way that we believe they will, then why don't we just sit down together and agree, something that then looks a little bit different to that. And I think it's just trying to find these compromises and finding the common ground that really will make this work for both sides.	
<b>Mael &amp; Charlie</b>	That sounds great, but this happens a lot, someone says something quite positive and then it's forgotten, please can we have this all in writing because if you leave then there needs to be a record. We have had lots of different managers and they keep changing and each time a new one comes we have to start again, that is why this debt has grown so high.	
<b>Paul Rogers</b>	Whatever we agree, we're going to, we're going to document this properly. I promise that Kim will make sure this is done properly.	<b>Kim</b>
<b>Leni Jones</b>	Thank you Paul for your helpful explanation. Can I come back to you briefly on your understanding of the COVID response and support and the approach that's been taken? Firstly, I think this is probably worthy of another meeting. I'm curious just for this, for this meeting. In Maels case in particular, to understand better where you refer to differences, but then you said that all your comms has been the same as CD. My broad understanding, not just Mel's case, but for across the piece is that the experience of the tenants within in station has been very, very different to outside. So I understand clearly, please can you clarify exactly how in-station retail is 'different' from the rest of the estate?	
<b>Paul Rogers</b>	Probably if I explain how it works almost between commercial development and us, so Daniel Lovett I think you've met him. So. we do things in slightly different ways, but we're actually quite joined up. So when we were looking at external comms, then, basically, it was signed off by Dan and I.	
	So, letters that went out, they may have gone out with Dans name or my name. But generally we were pretty joined up. So there shouldn't have been any differences in that side of it, where it sort of went a bit, a little bit different, again, being very open was where we had different constraints against us. And those constraints are the same, but probably background is that we, we had tannoys up everywhere, announcements on station saying don't travel. We had stations closing, so we had stations closing early, because we had significant staff issues, because our people were affected by COVID, they were shielding some people unfortunately caught COVID as well. I was part of the customer service team. So I was actually having a briefing every day or planning what was going on around all of the restrictions that were in place. You can't charge someone 50% and say that's a 50% if you've closed the station, and there's no way they can trade.	
<b>Leni Jones</b>	Thank you Paul, just for clarity. So the point in what you're saying that it's different for in station retail is in the very kind of obvious way that in station retail would be affected in a greater extent, by the pandemic because of the challenges of their locations.	
<b>Paul Rogers</b>	That's correct. I think that's the thing.	

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<b>Leni Jones</b>	So as they've been worst hit basically by the pandemic you have to take a slightly different approach in making sure those businesses are protected because of the other additional measures in place by London Underground.	
<b>Paul Rogers</b>	I think that's right. I think the only thing I would add to that is, it was actually quite difficult, we ended up finding it very difficult. Where there were obvious issues like Victoria coach station was closed, you can deal with that, and you can manage that. But we then had other effects, where you had the one way systems, and then you had the social distancing, we wouldn't quite tape off retail units. But, you end up diverting people around it. For us, we were isolated as well working from home, so we couldn't quite see this. So that's where we needed people to come to us and say, I can trade legally but its not viable to do so, we need to understand the effects of that. And then we can deal with credits and that sort of thing. And we really struggled with that. Because not everyone was contactable, for any means and the team will tell you that, it was letters, emails phone calls and sometimes you got no response at all. And it's because people were just shut off and, gone away. And we then couldn't understand why some people weren't open. We have some tenants that made a conscious decision where they could have traded, and there was trade there for them, but they still closed. And that's a bit of a dilemma for us, because we then have to work to do the right thing for TfL, and we have to do the right thing for the tenant as well. But we need to help ourselves. So there is a balance between all those things as well. And at the end of the day, the only thing I can assure you is when those examples of come to me, we stay on the side of caution, and try to do the right thing by the tenant. Rather than probably what we should have done in some ways, sticking to, a very, very strict set of rules that we all have to work to at the end of the day. So we've tried to be flexible, but we do need people to come to the table as well.	
	<b><u>RENT REVIEW DISCUSSION</u></b>	
<b>Leni Jones</b>	That's really helpful. I just got one more question, really, in respect of, with that understanding that there's been challenges around in station retail, and the challenges that you guys may have faced operationally, understandably, working from home and having to deal with working in a very different way. Why is it that you're still pursuing rental increases during the pandemic? And why the divergence from tfls policy that's been signed off by the FD to not pursue rental increases?	
<b>Paul Rogers</b>	So, we have the same FD. So because how the income flows into commercial development and how capital comes out with them. So, we have to same FD and there was a discussion about doing new rent increases or not. Now, all we've done at the moment is talk to people about rent increases. There has been a policy of Nil rent increases on the high street retail locations. And, obviously, I know you deal with arches, in a big way. And, I think the same was applied there as well. But what happens with the retailers on the station as much as it was impacted in a significant way, during the pandemic. What has happened is, we've been working behind the scenes, actually creating a huge amount more retail space, which has been let to businesses.	
	So what has happened is the value of the estate (pause) what you can't do is (pause) look, no one's going to thank us because we are getting government support, but on the proviso that we do generate as much third party income as we can. And what we can't do is enter into long term commitments with any tenant which is at the detriment of the long term income. It must be in the	

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	interest of the stability of our business, as well.	
	So there's a balance between supporting the tenants in the short term, until things get back to normal. And then, in the long term, the value of what they do and what we do. So what I would hope hasn't happened has, but it could have been perceived as happening is that, we're trying to push for rent increase, were after the money that's owed, we've not given as much support as we could have done, and we're then asking for rent increases on top of that you got to pay now, that is absolutely not what we set out to do. What we would like to do is to agree, the problem, historic debt to one side for a moment, because it doesn't apply to everyone. But we would like to give the support that we should have been given now to get that right. And then, if there is a rent increase in June, we agree what that is, but that start date can be deferred.	
<b>Leni Jones</b>	That's helpful, we didn't really answer the question as to why the divergence from the policy that's been signed off by the FD, I understand the tension in this scenario, I totally understand the concern as a landlord in your asset value. At this current time, however, it hasn't really answered the question of why are you applying a different approach to in station, because that tension exists across all TfL property, right?	
<b>Paul Rogers</b>	Because obviously, what was agreed by the same FD is that it was different for us, because of the value invested.	
<b>Leni Jones</b>	So Ken signed off for you to continue with rental increases. So you've had completely different policies to work to. I'm just trying to understand.	
<b>Paul Rogers</b>	Yes, And I want to be open about it, because, it has been picked up and because it was picked up obviously, in the correspondence as well, it came out that, there was a difference there. But that differences just being an actual thing for us. And just to explain, the rationale behind it is literally that, I think, in the high street, so if you just compare retail for a moment, rather than going on to any other area. So retail on the high street, all of the landlord's, the expectation is that the rent will decrease, not increase, or stay the same. And the reason for that is the footfall in High Street is going to be massively impacted for a long period of time, what you find within retail on stations is the footfall is already starting to increase much more quickly than anywhere near the high street, and then basically got the same situation that we believe that, September onwards, things are going to significantly vary. So what we can't do is to lock ourselves into long term commercial commitments on, a station basis when the footfall return. And that is a significant problem for TfL at the CFM level, if we do things like that. And the other bit about it, I'd say is that we've got, so we're busily creating more space. So, last financial year ending the end of March, we'd created 70, new small format sites, and they're all there for SMEs. And, that's going to create a lot of jobs because they're brand new sites. So, we're in the process now of lining those up, and those things are all happening. And those people are signed up to market rates with basically all the right support around them, but they are signing up to market rates. And so it's very difficult for us then to have new people joining the estate on one set commercial terms. And then what we're doing is we're giving existing people like different commercial terms, because that's not right.	
<b>Leni Jones</b>	So that's so it's a matter of principle?	

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<b>Paul Rogers</b>	Not a principle at all.	
<b>Leni Jones</b>	Well TfL are doing that right? They are doing new lettings and whilst supporting existing tenants differently?	
<b>Paul Rogers</b>	No, what we should be doing it the opposite way. We're actually giving significant support to existing tenants. Then beyond this, when things pick up again, and we've got new tenants joining as well, but ultimately, when things come back to normal, then they should be on the same commercial terms. So there should be no differential between the two, you shouldn't really, give better terms to either side, to new tenants or existing tenants, at some time they have to be the same.	
<b>Mael &amp; Charlie</b>	Where is the loyalty for existing tenants that have been there for 25 years, 14 years, whatever it may be, they should have some loyalty back, in my opinion. And some of these small businesses, some of them are brand new, they're not proven businesses, they might be gone in a year. But yet, you'll use the figures that they've signed up for £60K or £100K on premises that they can't afford in a year's time, in a year and a half some because you're saying that the footfall will be back to 100% in September. So when it's not, I've got many trading friends, everyone that works in banking in the city, they're not coming back five days a week, none of them. Literally, none of them. So how is this footfall coming back? It's an empty promise. And you're using that against people like us, your existing tenants.	
<b>Paul Rogers</b>	But I'm not using that against anyone, what I'm saying is that we're giving you we're going to give you support, and we're going to continue to give you support until footfall returns. And, that is, I think, what we should be doing.	<b>PAUL</b>
	<b><u>INCENTIVES DISCUSSION</u></b>	
<b>Mael &amp; Charlie</b>	New people signing up, they're getting 6 to 18 months rent free, 6 months minimum. They've been offered turnover deals on top of that with discussions based on footfall and paying some rent in year 2 with other deals. None of that has been offered to us at all.	
<b>Paul Rogers</b>	So in all it's a small format. All the commercial terms are no rent free. And, basically, they have that same thing, with the guarantees in place. So the bank deposits and that sort of thing. So all of the small format, the lettings that I mentioned are on that basis.	
<b>Mael &amp; Charlie</b>	That's not what my email says, I've been offered six months rent free.	
<b>Paul Rogers</b>	These are two different things. I think there is reference to the unit Moorgate, which is a unit where, it's not like the greatest location either. But, there is incentives for a unit, which was an existing unit, and we're talking about, and that's gone to a large and medium business. If that's what I'm thinking about, I don't want to talk too much about concerns. There's different incentives that have gone in to, two different units, depending on the location. Some of these units have been empty for up to 10 years, that we're letting at the moment, so you have to have different incentive packages in there.	
	But I've got to say, I set this strategy personally, so standby it, that we worked	

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	on the basis that we return to pre COVID rent by year two. So you might have, in some on some physical unit, traditional units, a 3 month rent free or a 6 month rent free. But by year 2, you return to pre COVID rental income Now, what that looks like, per individual deal, might be totally different, this stuff I can't go into, because they are commercially confidential between us and those tenants. But,	
<b>Leni Jones</b>	Not if it's being used in comparable?	
<b>Paul Rogers</b>	Yes in theory, only if it's in those circumstances, we need to be quite transparent. But, there's people obviously, who, I don't think they've even signed their leases yet being given as examples, which is actually quite difficult because we're still in negotiation at the moment. And it could be that we can't agree, which can happen as well. So I'm bit I would feel uncomfortable about discussing something like that. But, honestly, I think you, you can use those comparisons. And I don't really quite get what the difference is between are saying we're going to get a new tenant a rent free period of 3months or 6 months, whatever it is, and there tend to be closer to 3 months than 6 months, there is examples 6 months, or bring an existing tenant support for a longer period because their business needs it.	
	I think we, what we've got to do is the right thing. I think there's a really important point here, you made it, to be honest, is you can't get new tenant on the estate. And then their business fails in 6 months, or 12 months or 18 months, or whatever it is, because it does us no good. So this is really important to us that, we really understand people's business models, the business models are workable, we spend an awful lot of time doing that, working with the tenants, new tenants, and hopefully existing tenants. Because, we can't, if we agree, something with you or another existing tenant and the world changes and it could be footfall related, because a particular station isn't gonna get anywhere near that level of footfall, again, that's sort of less likely. But it could be that a particular tenants business model isn't still valid in the new world. And so what we can't do is to, commit to something with you, we could be helping you to actually maybe diversify, maybe look at different modules, which we've done with other retailers as well. And we've got examples of some companies are actually on target to do more business than they were pre COVID.	
<b>Leni Jones</b>	Can you give us any examples?	
<b>Paul Rogers</b>	There's a medium coffee operator, and won't name names, but they were hitting in sort of a break between the first lockdown and the second lockdown, they're hitting 70% year on year sales, and on target to trade 120 -130% when with our equivalent footfall, we have been talking to another operator last week, which is a beverage operator. Their pre COVID sales are up 10%. I think if you're in the right market, and you're flexible in growing your business model.	
<b>Mael &amp; Charlie</b>	Can we ask where they are?	
<b>Paul Rogers</b>	Some are in the city , they have moved their business from being walk-in to delivery based, different product ranges. And they're doing that, and we're helping them to do that.	

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	<b>REQUESTED TO OPEN DISCUSSION</b>	
<b>Mael &amp; Charlie</b>	Well, we opened our shop, you asked for three months, and we made a loss of £24,000. Coffee or wherever these shops aren't in mortgage station, over 13 weeks is equivalent to £24,000 loss.	
<b>Paul Rogers</b>	Yes. But it's, your business is slightly different.	
<b>Leni Jones</b>	Can I just clarify that, how were you asked to open?	
<b>Mael &amp; Charlie</b>	It was on a phone call. We got demanded to open Rummet, Julian we were all asked to open. We all lost money. We all stated the fact that there's no one around, we sent the figures in and heard nothing back.	
<b>Leni Jones</b>	Paul, do you want to respond to that?	
<b>Paul Rogers</b>	Rehan – do you want to come in there?	
<b>Rehan</b>	I can only comment on obviously a fresh collection case. But yes, there was a conversation. That was hard. When we discussed potential reopening for us to review the figures and we were sent figures by your accountants. We're very open to having conversation about those to review what happened and how it traded. But there was no meeting forthcoming. So that's that's why it's great to be sitting down today to be having a discussion because that's what we really want to do is sit down round the table and have conversation about what's happened and how we can look forward?	
<b>Leni Jones</b>	Why were they asked to Rehan?	
<b>Rehan</b>	So it was, it was a request made by the senior property manager that was on the call. And so Dan Harrison was on that call with myself. And we were having a conversation around, the challenges that are being discussed around trading. And so the discussion that was had was basically that, we could see how it was on the ground in terms of actual trading, and have a conversation and discuss the way forward. And that was what was agreed between both parties.	
<b>Leni Jones</b>	So you'd like a test at Moorgate to kind of see how it would work out?	
<b>Rehan</b>	Yes, essentially, we were talking around a lot of issues. And so it wasn't clear as whether those issues were the case in terms of the specific unit and what was being discussed. So it was it was simply just to see what was happening. And to understand the situation better. It was all with purpose of having a conversation sitting around a table, and discussing a way forward that was suitable and constructive.	
<b>Leni Jones</b>	So, i-smash, Cards Galore and basically, all the retail units within Moorgate, were asked to open during this period. So you can kind of see how they were being impacted by the pandemic?	
<b>Rehan</b>	I wasn't involved with, i-smash or cards galore. So I can't comment on the discussions around those or why they reopened. But it would, it would be something that we can pick up and come back on.	

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<b>Leni Jones</b>	Can you find out Paul please what the policy was, because I'd like to have a copy of that. You mentioned a strategy earlier that you said that you're responsible for, if you could share that with me that would be great or share it with Mel, however, you see it's appropriate for you. And also an understanding of why that happened. Because that's obviously had a big impact to all those tenants and, and a broader issue. So rather than kind of going really deep into this in respect of the other units too because I appreciate we can't talk about them, and they're not in the room. Just to get a bit more of a detailed understanding as to what the thinking was behind that. Because it's obviously had a big impact on those tenants. <b><i>[Post mtg note: Please can I have copy of all communication sent to tenants since February 2020 and all policy and strategies for in station retail in respect of covid support and lease events please].</i></b>	<b>PAUL</b>
	In respect to the COVID stuff. And I'm just aware of time and want to give the maximum amount of time to try and find resolution rather than like you say going over everything. Could I ask that we get a breakdown of everything that's been paid on each units, like a Statement of Account, basically, on each unit, what's been paid what debts are there month by month, and what credits have been applied in respect of COVID support? Understanding the Business Health as I know that outside in the high street they're calling it a business health check. That hasn't happened for Mael. And so, I'd like to understand a little bit more, and if you can help me by sharing any correspondence that you did send out in respect to that. And I believe, we're here today primarily because he has not felt heard in respect to the impact. So we need to look at what COVID supports been available and how that has been applied to his case in his and his arrears To start off with, but going forward, looking at how or where do we go from here in respect of his current arrears, given the impact it's had on him.	
<b>Leni Jones</b>	That would really help us just to get that break down.	<b>REHAN</b>
<b>Paul Rogers</b>	That's fine. Just to come in on one point, though, that let's just say, we asked you to open, as we did, and you've suffered a loss as a result of that, then that would be credited, because it will be taken into account as part of the review. I do want to put the historic debt to one side because I think that's a bit of a red herring in some ways. It needs to be dealt with but it can be dealt with differently. But the actual trade through the COVID period, picking up on, what has been given during that period and what additional support is required, which is as important. And we can get to that, I think quite quickly, so sort of all over me and can work together on this	
<b>Leni Jones</b>	The historic debt. And the rent review is, from my understanding a bit of a noose around their neck. I mean, as a business owner, and I'm speaking for you, and I shouldn't Mael, so please just jump in. I'm a small business owner, myself, and I've got an arch over in Bethnal Green. I know right now, our priority is to get an understanding of how strong we are? Do we need to diversify? How do we diversify? What capital do we have to invest? How has our audience or client base changed? Has the demographic changed? we're trying to get an understanding of all these things which are constantly changing right now. We are risk takers, we're entrepreneurs, we're used to taking risks and making those choices and going 'all-in', but for Mael right now he is cornered with this debt scenario. And on an unknown amount of debt with the rent review with your threats of arbitration on the table and not feeling heard by his landlord so you can see the whole picture and why this has	

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	come out this way. And it's come out in a negative light. But, ultimately, it's clear from what you've explained, that there's been massive gaps in everything you've presented as the picture of support that you believe your strategies and policies should have applied and Mael's experience, right?	
	So there's been a massive gap that needs to be sorted out. However, you keep saying, put that debt to one side for now, isn't acceptable, he can't put that debt to one side, he can't move forward and plan, and understand his own viability. When that is there and the rent review?	
<b>Paul Rogers</b>	There is a perception that we haven't done the right things here. I think what we've got to do, my view is we could, we could keep talking about that forever. And my view is we should draw a line on that part of it. Look at it again, properly in the way that you described, which is what's what have we given and what do we need to do? And then we agree that part of it. My concern about the historic debt is two fold. Really, one, it goes back a long time. It goes back many years. This problem has been there, it's been festering for a long time, we probably should have worked a lot quicker as TfL and brought it to a head	
<b>Mael &amp; Charlie</b>	That started mainly, we lost four properties to crossrail. We lost £30,000 a week, takings, we lost shops to crossrail. That's when all our problems started really. We found the way through. And we would have been out of debt in September 2020.	
<b>Paul Rogers</b>	I wasn't involved in, in this part of the property side in the days that I'm referring to, but obviously listening to management meetings to the conversations that were going on about payment plans in place. And then those payment plans not being adhered to.	
<b>Mael &amp; Charlie</b>	They made a plan for eight months beginning the first payment in February 2020. We paid we paid the second payment and we contacted TfL in March 2020 when our shutters came down.	
<b>Paul Rogers</b>	I'm talking, I'm talking some time before that. But I mean, again, from my perspective, this is about being genuinely open, we've got this, this model works or it doesn't. And if it wasn't working pre COVID and you weren't able to pay to pay your rent, then, we have to face up to the reality of that. Both sides. And all I want to do, we can, we're talking about doing a statement going forward with the support and everything else. I'm really happy to do that. We can do exactly The same thing going back historically on the debt, and how many payment plans were put in place, and, basically the performance against those payments. And, again, my memory is not that good, because I'm getting a bit old now. But, I remember conversations where your accountant was talking to us directly. Because there was issues around, payments not being made and stuff like that. And this isn't just me hearing stuff on the periphery. So yet, we can absolutely visit that link. Obviously,	
<b>Mael &amp; Charlie</b>	we did pay back what was owed, in the end of 2019, we paid about £132,000, I think, or something like that. Straight up front, there was only 80, or whatever it was left, which again, as we say, the money didn't come from anywhere, it came from profits, we paid that amount. And we would have been clear in September last year, had covid not happened, it was all viable and fine. And	

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	the reason for it in the beginning was cross rail. We have some very good shops across route, that was the beginning of the issues with cashflow. We got it back on track when we paid the money. And we came to a deal on a eight month deal which we paid, if covid didn't happen we would be cleared by now.	
<b>Leni Jones</b>	I mean, you guys have been tenants since 1978. I'm sure there's loads of history there as to issues and things on both sides. But where we are at, I think it's fair to say I'm sure those frustrations have led to this position of debt. You agreed a repayment plan and got yourself sorted. And it was COVID is what exasperated that. You were making those payments until COVID happened? Am I misunderstood is that other payment plans other than	
<b>Paul Rogers</b>	There have been multiple historic payment plans, which have been problematic.	
<b>Leni Jones</b>	But then that was all resolved in this one payment plan?	
<b>Paul Rogers</b>	It was but there was probably I don't know how many versions of payment plan was there. But there was quite a few, I think.	
<b>Leni Jones</b>	Yes, and I expect that with most cases where you've got a tenant of with multiple units. And there's other factors like engineering, cross rail and god knows what is going on within different stations. There's going to be complexities around those deals and those arrangements.	
<b>Paul Rogers</b>	Can I make suggestion because again, I think we might get bogged down on this one too. We do what Leni suggested, and we do, we look at the support side of it and where we are, let's get that bit sorted out, on the historic debt, what we'll do, if you can put together what your business plan is going to be going forward. And, give us some reassurance as well on that, your business is viable and moving forward. And you can trade in those locations? Well, because obviously, you have concerns about some of those locations and the return and everything else, so if you can provide that?	
<b>Leni Jones</b>	Would you be able to provide footfall data to help them write that business plan?	
<b>Paul Rogers</b>	We can show where it is, and we can show what we believe the projection could be.	
<b>Leni Jones</b>	I think it'd be really helpful if you if you'd be able to get that data over to us rather than like the tenant having to navigate the online system, it would be really helpful.	<b>PAUL</b>
<b>Paul Rogers</b>	That is fine, we just think what we can do is based on the business plan, and based on some sort of agreement, we will take a view on the history there. And we will take a view about the potential rent increases as well. And I'm not saying we're going to say there will be no rent increases, but we can certainly take a view on deferring them so that we can have a a reasonable period of time before they would apply. And that sort of thing so we can have a more holistic view of your business and how it can come out of this and how it can thrive and what support you need.	

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	What do we do with historic debt? What do we do with potential rent increases? And then what support does that need from us to make that make that work? And we're really happy to do that. But I think what we got to do is rebuild the relationship as well between both sides. And, do something that is going to help you. But it also gives TfL what it needs as well, because we are a commercial business as well.	
<b>Leni Jones</b>	Yes, and I think we get that, right. Where, as an organization our members have described themselves as social capitalists, we are not the extreme left wing, it's all about getting that balance right.	
<b>Paul Rogers</b>	So just a bit background, I've never ever worked in the public sector before. I've run small businesses, medium businesses. So I've been in your shoes as well, to be fair, I know what it's like. But at the end of the day, we've all got to look at the interests of the people that we work for as well. And TfL is a business too.	
<b>Leni Jones</b>	We need to be in a position a partnership, right. Everybody needs to be able to survive.	
<b>Paul Rogers</b>	We want to get there, it's been a tough time for everyone.	
<b>Mael &amp; Charlie</b>	We share the same customers, and I'm sure our customers, your customers don't want just coffee shops, because they could pay the rent, they want a diverse portfolio, and they want our services too but if the footfall doesn't come there, what happens we've all saying that we need your help to be safe, and to give it a shot. And if it doesn't work, and if we're not viable, then we will go. you need to make that possible. And we work together and try and do that.	
	Our staff, we've obviously let people go last year, we've got about 30 odd left, we've received over £500,000 of furlough money, by September this year, probably be approaching £750-800,000 of the government's money. And the government's save all small businesses. And it's all these inputs. And yet TfL is government owned and just going to say, goodbye. And everyone's in trouble. Everyone's families, those people that we protect and give jobs to the £150m, that we've given the government in the costs 35-40 years, £150m plus, its just ludicrous!	
<b>Leni Jones</b>	It's this farcical cycle of money, of government support, then going back into government pockets, and the tenant actually potentially folding and those individuals that have been supported with furlough via the government support, potentially losing their jobs. And, this is all taken place because you say you're acting in the taxpayers interests, which you guys, your remit to as a landlord, that you have a responsibility to the value of the asset that you're looking after.	
	Sometimes it requires us all to just step back and look at the whole picture and go Hold on, when it doesn't make sense to be pursuing a rental increase from a business that, is having to source, social care almost from the government via other means, and it's kind of just taking that whole view which is so important. And Mael's scenario with his 30 staff on furlough, is a is a strong demonstration of that.	

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<b>Paul Rogers</b>	No, it's fair point. And I think, I think from a landlords perspective, and I've had the same conversation sort of internally here as well, that you actually there's a lot more small and medium landlords than there is large landlords. And, that the precedent has been set in some instances is damaging them more than the large landlords are backed by big private equity. So, I'm seeing that, with someone like Nero's who obviously did a CVA, and we're really close to Neros, they're still on with us, it's a real partnership with them, when we haven't given them 100% support or anything, either. But, all of the landlords that were impacted by the CVA, I think 80% of their landlords were in sort of number terms were small, medium businesses. And they're the ones that are hurt more.	
<b>Leni Jones</b>	Oh, no, this is impacted everybody. And that's why I think it's so interesting that this survey the government are doing at the moment is going to be very interesting. What their findings are, because they I mean, nobody's been left untouched.	
<b>Paul Rogers</b>	So, we've got a way forward. We will need a week or so if that's ok?	
<b>Leni Jones</b>	Can I ask, like, with respect to the arbitration proceedings? I think that's obviously causing you quite a big of concern.	
<b>Mael &amp; Charlie</b>	I think it's ludicrous to do this. It needs to be stop.	
<b>Paul Rogers</b>	That's fine, that's paused. Kim's here to take that firsthand. All right. And let's see if we can find some common ground and see if we can make this work.	<b>KIM</b>
<b>Leni Jones</b>	So we will produce a detailed note which we will share with you to make sure we have clarity and not misunderstood anything, if that's ok?	<b>LENI</b>
<b>Paul Rogers</b>	I mean, you've mentioned at the beginning, might be worth just having a conversation offline as well, just to explain a little bit more background about what's going on,	
<b>Leni Jones</b>	Yes be really, helpful. In the letter that was sent, it was not just specifically about Mael, whilst he did include aspects of his experience, Mael's also representing many more tenants, and were speaking to other tenants, as well on top that. And so, the image that you presented is really, really positive and very, very reassuring to hear. My concern is how we go forward in making sure that has actually been delivered because we're hearing a very different experience from your tenants. And so yes, I think the broader piece is worthy of more time, and maybe not today. But yes, we need to kind of figure out how we resolve that across the entire estate.	
<b>Paul Rogers</b>	Also just to mention, we have an independent customer survey, which is actually a joint one with commercial development as well. So it's consistent between the two. But the customer scores for last year, in, well, within COVID happening was significantly improved on the year before when, it was slightly different, slightly different structure.	
<b>Leni Jones</b>	Are you able to identify in your survey, the type of unit so you separate your estate from high street and arches?	

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<b>Paul Rogers</b>	Yes, it's broken, So you see our analysis broken down separately, I will check confidentially now, I'm sure we can share it.	<b>PAUL</b>
<b>Leni Jones</b>	So I think, yes, it's just to figure out the disparity.	
<b>Paul Rogers</b>	It's interesting, because you've got, on this call, you've got one person who's very new to the business, and one person who's been with the business a long time, from our side from a property management point of view. And, we've really, really worked hard to improve the customer service in the middle of a pandemic, which has been difficult for us. And do I think we've got it, right. Absolutely not. And I think it will be really difficult to do that. Anyway. So in the middle of what we've been through, but we've worked hard to try and improve that and we have got improvements. So it's obviously disappointing to hear that there is mixed experience and sometimes there's perceptions And sometimes, people were like, their businesses, really, it's the most important business to them, and understandably so. But there's this balance between the two that you have to you have to strike but if we've got to work harder, we will. That's the assurance I can give you.	
<b>Leni Jones</b>	I think often with these things, the common factor is, is communication. And it can that has been one of the biggest challenges I think we've faced in this pandemic, in how to approach communication, and that's damaged relationships, but the critical point is to make sure that any damage caused is not irreparable. And we will try to work out a way out of it.	
	What's critical is there's lots of tenants out there that feel they're in the same position of risk and crisis as Mael. And they're frightened Paul! They're very, very frightened. And that being said, is an indicator on its own, that there's something going awry to me. Because they're, too frightened to speak out. So, there's a piece around actually understanding things a little bit better from their perspective, and where that history comes from, often it is a case that these behaviours are very deeply rooted. And it's not always an easy fix. But I think the point being that, you're saying that you want to work with your tenants, and you want to understand their individual needs, so that you're putting the right plans in place for those for each tenant that's in crisis, and that you're opening your door and inviting them to approach you if they need support, and that they should feel confident in doing that. That message certainly hasn't got across. And that I think, is something we could work on quite quickly to resolve.	<b>PAUL</b>

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