

Mr Jamie Izzard Senior Manager, Enterprise Greater London Authority City Hall The Queen's Walk London SE1 2AA

12 April 2021

Dear Jamie

Transport for London / London Underground In-Station Commercial Tenancies in Crisis

This letter follows our conversation this week in which I outlined my concerns about the way tenants occupying in-station retail units are being treated by Transport for London / London Underground.

As a tenants' association, Guardians of the Arches only ever takes collective action following detailed research and analysis. We will also take professional advice before further action to ensure our membership accountability and our professional credibility.

That being said, I spent much of last week speaking at length with the in-station retail community and there is a significant sense of fear and distrust which I believe is deeply rooted due to decades of landlord mismanagement, bullying tactics and neglect. The tenant community are very frightened to speak out, especially because many have received threatening legal letters over the last few days.

I would like to urge your office and that of the Mayor to take immediate action to intervene and prevent further harm being done to the in-station retail community. It is unacceptable that a highly vulnerable group of business owners appear to be experiencing such disparity in approach under the name of a single landlord.

We ask simply that all commercial tenancies within your railway property estate are treated fairly and equally. All your business tenants, small and large must be provided with the same customer service and approach for support. We ask for consistency, transparency and fairness.

In order to evidence my grave concerns, please read below testimony from our GOTA In-Station Retail Community Leader, currently representing our group of many in-station retail tenants from small independent kiosk holders to well known high street names.

"Fresh Collection is a dry cleaning service. We have been tenants of TfL for 40 years. During that time there have been ups and downs in our relationship with all our landlords, including TfL. But what we are experiencing this year with TfL is a new low.

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We have lost many good stores over the years to Crossrail and the like, but we have managed to keep plodding forward building our known City brand. This has been extremely tough as we have had to battle with TfL to gain the same deals, same rents, and same terms as our fellow neighbours. We know this is part of rent reviews but we have had many landlords and the majority are pretty straightforward.

For instance, we sat down with Clive Henman for a very late lease renewal on our Moorgate store just pre Covid. We stated that due to the ongoing Crossrail works takings had dropped and we were eating concrete dust all day long. Caffe Nero also complained and got a discount on their rent. When we mentioned this it was denied. So we pulled out the copy of the Caffe Nero lease which we had obtained. The response was just: "Oh..." This happened while TfL were trying to increase our rent over 100% on a unit that has zero visibility from the road unlike the others.

This store today is left like the others in a total ghost town. TfL Surveyors demanded that we open last summer and so we did – and lost around £10,000 to show TfL what the world already knows, which is everyone office-based is working from home. Many other in-station retailers were also required to open by TfL which caused such high losses that many now have had to surrender their leases.

TfL in the past weeks have demanded 50% to 100% of their rents for the past year. We have not been able to pay as all shops have been shut. They then sent a letter for a rent increase of £6,000 and today sent a letter threatening arbitration.

In these past weeks we have been threatened with reminders that we are guarantors on this property and another, threatened with arbitration and told that all units require 100% rent moving forward. All while announcements in stations and on radio by TfL are telling everyone to avoid using the Tube.

We get footfall figures thrown at us the whole time by TfL. But the basic fact is that the number of people passing through Tube stations in London is massively down and is unlikely ever to go back to what it was. How can this be the right time to demand rent increases and backdated rents, and to threaten long-standing tenants with court?

Many of us are founders of the TfL retail estate, we have loyally invested in building and creating retail opportunities when there was none and we were here, taking the risk when TfL needed our help. Over decades our families have strived to build viable businesses despite the poor treatment, we persevered while TfL has benefited from our endeavours! In return we are now being abandoned, many of us being forced to surrender the very units we have established.

I have spoken to many other tenants and they are all feeling bullied and threatened, with letters arriving of court threats and demands of 100% rent. Where is the loyalty to existing tenants? Is TFL trying to force us all out? Because that is what it feels like!

We are all speaking to each other but many are just too scared to speak out for fear of a backlash. That is because of the very poor relationship between TfL and these tenants, formed over many years.

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Guardians of the Arches Limited is a non-profit, Independent Tenants Association registered in England and Wales Registered address: Railway Arch 5, Cherry Tree Walk, Leeds, LS2 7EB Company Number 11324834 Something must change. We business owners need help now as we ALL are at the cliff edge of our own demise."

We look forward to hearing from you urgently on this matter.

Yours sincerely

Leni Jones Managing Director On behalf of the membership of

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cc: Mr Rajesh Agawal Deputy Mayor of London for Business London City Hall The Queens Walk London SE1 2AA

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