

From: Craig Graeme GraemeCraig@tfl.gov.uk
Subject: TfL Working in Partnership with its Tenants
Date: 26 Jun 2021 at 10:02:33
To: Guardians contact@guardiansofthearches.org.uk
Cc: Jamie Izzard Jamie.Izzard@london.gov.uk, Morsley Andrew
(Director of LU Planning) Andrew.Morsley@tube.tfl.gov.uk,
Canning Thomas ThomasCanning@tfl.gov.uk

Dear Leni,

Thank you for writing to us and also for taking the time to explore these issues.

As promised, we want to confirm TfL's updated policy position, which demonstrates our commitment to supporting businesses across our estate with the difficulties imposed by the pandemic and helping small and medium-sized enterprise (SMEs) to drive London's recovery, whilst ensuring we can generate income to invest in maintaining TfL's transport infrastructure. Our shared goal in this is to build upon our recent positive engagement with the arches tenant community to create an environment in which TfL can deliver sustainable growth by working in partnership with our tenants.

Our **updated policy position on rent reviews and lease renewals** is as follows:

Rent Reviews

- We have made the decision to offer further support to all our small and medium tenants by implementing a policy of not increasing rents due for review prior to 31 March 2022.
- After 31 March 2022, any rent increases due will be increased by the formula in the lease which is linked to RPI. This will be applied from 31 March 2022 and will not apply retrospectively.

Lease Renewals

- We have made the decision to offer further support to all our small and medium tenants by implementing a policy to allow our tenants to pay the same rent up to 31 March 2022. Rent renewals after that will take into account current market rates, which will in some cases mean a decrease in rent and in others an increase.
- In offering this support, we will not apply these increases or decreases retrospectively. This means in addition to the significant rent credits we have already provided to our tenants during the pandemic, in real terms rents will also be frozen until March 2022. Tenants will have the reassurance that any historic rent increases due will not be applied.

Given the diverse nature of our estate, the best results will come from us **considering the individual circumstances of each tenant** within a framework that recognises our responsibility to small business, in line with our commitments to support the Mayor of London's policies. As part of this, we already make provision for small, independent businesses to apply to surrender their leases on a case-by-case basis where they are able to demonstrate that their financial circumstances are unsustainable. We will ensure that this approach is **consistently adopted across the estate**, and would welcome your support in early resolution of individual concerns and your constructive input on the development of more detailed policy guidance through collaborative workshops in the coming weeks.

We are taking very seriously the concerns you have highlighted about the need for **demonstrable consistency of how this policy will be applied by our property management teams**. As discussed, we are jointly committed to resolving this as a matter of urgency so that tenants have a consistent and sympathetic customer experience and you have a **single route for engaging with the TfL team**. This will be underpinned by **upskilling across our surveyor teams**, so they all fully understand the demands and financial constraints upon our SME community.

We hope this provides you with reassurance we are listening to you and taking the issues you have raised seriously – and that we are committed to working together to help all of us recover from the pandemic. We recognise and appreciate the support that our tenants have provided to their local communities, especially in recent months. Our tenants have shown remarkable resilience and energy in keeping their businesses running in the most difficult of circumstances. We particularly welcome your ongoing involvement and there is no doubt that you have helped influence our thinking in a way that is positive for us as well as your members.

Kind regards,

Andrew and Graeme

Graeme Craig

Director of Commercial Development

Mobile: 07894 785346

7B3, Palestra, 197 Blackfriars Road, London, SE1 8NJ | email:

graemecraig@tfl.gov.uk

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