#### MAYOR OF LONDONLONDON ASSEMBLY

# Ending of meanwhile use leases at Old Paradise Yard, South Bank

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## **Key information**

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### Ending of meanwhile use leases at Old Paradise Yard, South Bank

Dear Laurie.

#### Re: Ending of meanwhile use leases at Old Paradise Yard, South Bank

Representatives of the sub-tenants at Old Paradise Yard (OPY), South Bank have contacted me about the ending of their leases at the beginning of this year. As someone who supports the meanwhile use of sites until they are developed, I am concerned to hear about the manner in which these leases were ended.

The evidence they have shared with me strongly suggests that as landowners, Guys and St Thomas' Foundation (GSTTF) assured them and others at earlier stages, that they would be able to remain on site until the development was ready to proceed. In the <u>report</u> to Lambeth Council Planning Applications Committee, it states: "the exact timing of when leases would be ended will depend in when development will commence." This timeframe was not fixed, due to the nature of large-scale developments, but it currently seems very unlikely that work will start before 2025 and, in fact, could be much later than this.

Due to the earlier assurances, in summer 2023, the head tenant – Eat Work Art (EWA) – was negotiating with GSTTF to extend the head lease and sub-tenants were making plans and commitments for 2024. Then, according to representatives, on 25 October 2023 GSTTF said the lease would not be extended and informed EWA to vacate the site by 29 January 2024 (I believe a short extension was subsequently granted to EWA but the sub-tenants had already been forced to vacate).

I also understand that a very limited support package of just £20,000 was offered to EWA, with the intention of at least part of it being passed on to sub-tenants on the site, to assist with relocation. The representatives tell me that, while the new development will provide sub-tenants with the opportunity to take on affordable workspace once completed, this support package is not sufficient to cover their loss of income. Nor have any of the businesses received any concrete offer of support from GSTTF or Lambeth Council regarding relocation as a bridge to accommodation in the new development.

The questions the sub-tenants' representatives and I would like to have answered are:

- 1. Why, if the sub-tenants were always offered OPY for meanwhile use, could you not allow them to stay on until the work is actually about to start on site, in line with past assurances?
- 2. What is the total support package that GSTTF has provided to the approximately 30 sub-tenants on the OPY site, and what assistance has been provided to help them find alternative locations until they can access the new affordable workspace once it's completed?
- 3. Condition 77 of the Planning Decision will only be fulfilled when: "the contract has been placed for the construction of Plot A and evidence of such contract has been submitted to the local planning authority. Reason: To ensure that acceptable replacement development has been secured (Policy Q22 of the Lambeth Local Plan 2021)." Could you tell me if this condition has been discharged and, if not, when this will happen? If it has not yet been fulfilled, why was the lease for meanwhile use not extended beyond January 2024? As you know, it is not relevant that the most recent lease had an end date in January 2024, as it is common commercial practice for leases to be extended. The OPY lease had been extended previously and it is believed that the neighbouring lease for Oasis Farm was extended in 2023.
- 4. Of the: "£25,295,000 contribution towards the provision of affordable workspace" that is part of the Section 106 agreement, how much is being apportioned to support the 30 sub-tenants at OPY?
- 5. Are the current security measures costing more than the earlier cost of allowing constructive meanwhile use on the site? And, are you planning to install property guardians to further secure the site until work starts?

I look forward to hearing from you shortly.

Yours sincerely,

Siân Berry Green Party Member of the London Assembly

cc Susanne Given, Chair of Trustees, GSTTF Cllr Jacqui Dyer, Cabinet Member of Inclusive Economy and Equalities, Lambeth Council