Transport for London



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BY POST AND BY EMAIL TO REGISTRY@OHCHR.ORG

Dear Ms Bennoune, Ms Izsák-Ndiaye and Professor Deva

I refer to your letter dated 21 July 2017 relating to the proposed redevelopment of an area at Seven Sisters, London which includes the Seven Sisters Indoor Market ("Market").

We understand the concerns surrounding the future of the Market and the worry of the traders at the Market about how the proposed redevelopment might impact their livelihoods.

This is a highly complex matter, given the many stakeholders with an interest in the Market and the redevelopment of the area. I have therefore set out below the background to the redevelopment and the complex statutory processes required to enable large scale redevelopment and how this impacts our property, including the Market.

Background

London Underground Limited ("LUL"), a subsidiary of Transport for London ("TfL"), is the freehold owner of the building known as the Wards Corner Building ("Building") at Seven Sisters. The Building was acquired by London's transport authority when the underground line known as the Victoria line was built in the 1960s. Situated below the Building and in the surrounding area is the Seven Sisters London Underground station, ticket hall, escalators and other railway operational infrastructure associated with the Victoria line including the train tunnels.

Until 1972 the Building housed the Wards Furnishing Store. It currently houses the Market.



There has been a desire from interested parties in the Seven Sisters area to see redevelopment of the Building and the surrounding area for some time.

Most recently this has taken shape through proposals for redevelopment by the London Borough of Haringey ("LBH") who appointed Grainger Seven Sisters Limited ("Grainger"), a subsidiary of Grainger plc, as its development partner. Grainger plc secured the planning permission for the proposed redevelopment.

On 14 September 2016, LBH made the London Borough of Haringey (Wards Corner Regeneration Project) Compulsory Purchase Order 2016 ("CPO") which includes the Building and Seven Sisters Station including the subterranean ticket office, escalators and train tunnels. LUL is therefore directly affected by the CPO.

To take effect the CPO needs to be confirmed by the Secretary of State for Communities and Local Government as the decision maker for the CPO. The Secretary of State appointed an Inspector to consider the CPO and make a recommendation to him. The CPO, if confirmed by the Secretary of State, would have enabled LBH to acquire TfL's Building and other land which would then facilitate the proposed redevelopment.

As a result of objections received to the CPO, a public inquiry was held. For a time, LUL was an objector to the CPO until it entered into an agreement with Grainger that TfL's infrastructure would be protected during the proposed development [and operational land not acquired]. The public inquiry was held over three weeks and closed on 27 July 2017. It is now for the Secretary of State's Inspector to make his recommendation to the Secretary of State in relation to the CPO and for the Secretary of State to make his decision.

Proposed redevelopment

Your letter refers in detail to the proposed redevelopment by Grainger. Neither TfL nor LUL is a partner to that redevelopment and LUL is in fact subject to the CPO as indicated above. As a consequence, matters that relate to the planning permission, proposed redevelopment or the CPO are not ones that are within TfL or LUL's control and TfL/LUL are therefore unable to comment on those matters.

Lease of the Market to MAM

In your letter you mention an allegation that a lease was granted to Market Asset Management (Seven Sisters) Ltd ("MAM") without any competitive tendering.

LUL, as freehold owner for the Building, is responsible for granting a lease to a Market Operator, who in turn, grants licences to the various market traders. There is no direct contractual relationship between the traders and LUL.

It is important to note that the Building is a commercial asset of LUL and LUL manages it in a similar way to any other commercial landlord. LUL is under no public procurement obligation in relation to the letting of the Building.

On 3 September 2015 the then lessee assigned the then current lease to MAM. Under English landlord and tenant law, landlords are limited in their ability to refuse consent to a tenant who wishes to assign its lease and in this case there were no specific grounds for refusing consent. That lease expired later in September 2015. TfL's usual approach (and those of its subsidiaries) to the renewal of tenancies is to renew a lease with the sitting tenant if requested. A request was made by MAM and a renewal lease was granted to MAM on 07 April 2017 with an expiry date of 14 September 2020.

As the grant of the lease is a land disposal, it does not require a competitive tender.

LUL is fully aware of its legal obligations, including those relating to human rights, in relation to the management and disposal of its commercial assets and is satisfied that it has complied fully with those duties.

Neglect of the Building

Your letter refers to allegations of neglect of the Building by TfL. As noted above, LUL owns the Building. LUL has known about the Grainger and LBH plans to regenerate the area for many years. The issue of the CPO by LBH has confirmed this. LUL is a public body with limited resources and extensive investment in the Building cannot be justified in circumstances where LBH and Grainger are putting together a scheme which will involve the demolition and replacement of the Building. In the meantime, LUL will continue to fulfil its duties as landlord in relation to the Building and the lease to its tenant, MAM.

LUL has confirmed that if the LBH and Grainger scheme does not proceed LUL will work with all the local stakeholders to plan the Building's future.

Complaints about MAM

We are aware that there have been complaints about the conduct of an individual at MAM and we have taken action on these complaints. The first of the complaints was addressed in March and April 2017 by senior property officers at TfL/LUL. The relevant individual at MAM acknowledged that their conduct had fallen below a standard that the individual and TfL/LUL consider acceptable. TfL/LUL accepted that apologies had been made and an action plan was put in place.

There has been a new complaint which is currently being investigated by TfL/LUL in consultation with MAM and the complainants. The current investigation will also look at actions taken by MAM to improve aspects of the management of the market.

Response to specific queries

On pages four and five of your letter you list nine points in respect of which you ask TfL for its co-operation and observations. TfL and LUL are committed to assisting you in this matter but as we have explained above, the future of the Building very much depends on the actions of Secretary of State, LBH and Grainger.

In response to the first of the numbered points, I refer you to the points made above which address the allegations you have referred to.

Unfortunately, I am not in a position to answer a number of the other points you have raised. In relation to point two, for example, you ask how TfL has considered "alternatives" which would have "less severe consequences" on the livelihoods of shop owners. This is not an issue to which TfL/LUL can contribute because TfL/LUL will not be responsible for the demolition and replacement of the Building. The assessment of "alternatives" to the Grainger and LBH redevelopment scheme is a matter for those organisations.

Likewise, in response to points three, four, five, eight and nine TfL/LUL can only observe that LBH and Grainger are responsible for the proposed redevelopment and the impact it may have on the local communities. Questions about due diligence in association with the selection of a development partner and the choice of development scheme are best directed to LBH and Grainger.

In relation to remedies, we understand that a number of measures have been put together for the benefit of traders at the Market by Grainger and LBH. As noted above, TfL/LUL has no direct contractual relationship with the traders, however TfL has been directed by the Mayor of London to make a payment of £284,500 available in the event the redevelopment occurs, to provide financial support to small businesses (via LBH) to assist in the temporary relocation of the Market.

In response to point six, I refer to the points made in the "Complaints about MAM" section above.

In response to point seven, TfL and its subsidiaries take their public legal duties very seriously. TfL's policies on issues touching upon human rights are published on its website (and the website of the Greater London Authority) and TfL believes it conducts itself in line with the UN Guiding Principles on Business and Human Rights.

Conclusion

TfL/LUL acknowledges that the redevelopment of the area around Seven Sisters station is the cause of concern amongst the residents and businesses in the area. The future of the Market is an important part of the redevelopment

and TfL/LUL understands that both Grainger and LBH want the Market to continue during and after the demolition and redevelopment of the Building.

LUL, as the current owner of the Building, is subject to the CPO which will facilitate the redevelopment and as a result it has taken steps to protect the safety of its operational assets and secure, as it must, its commercial interest in the Building.

LUL awaits a decision by the Secretary of State as to whether LBH's CPO will be confirmed. If the redevelopment, as it is currently planned, does not go ahead, LUL will work with LBH, the tenant and engage with traders and other local stakeholders to see what options might be pursued regarding the future of the Building.

In the interim, LUL will continue to work closely with MAM to address the concerns traders have about the operation of the Market.

Yours sincerely

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