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Consultation on proposed changes to New Covent Garden Market Redevelopment

NEW
COVENT
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MARKET

Table of Contents

Foreword by the Chair.....	3
Introduction.....	4
Increasing the vehicle loading areas..... in Buildings A and C	9
The Buyers' Walk in the unbuilt part of Building B	11
Building canopies on the unbuilt part of Building B	14
Alternatives to the proposed changes.....	16
Questions for consultees	16
How to respond and when	17
Who is being consulted?	17
Availability of copies	18
Next steps	18

Foreword by the Chair

New Covent Garden Market is the largest fruit, vegetable and flower wholesale market in the UK. It is a bustling, iconic wholesale market and is home to around 200 vibrant food and flower businesses, which at their busiest employ 2,500 people.

The market has a proud history, dating back to the 17th Century. Originally located in Covent Garden until 1974 it was moved to the current site in Vauxhall in the heart of Nine Elms where it remains a vital part of London's food and floral industry.

Redevelopment of the market was agreed in 2013 and construction commenced in 2015. The redevelopment of the market is a joint venture between developers Vinci St. Modwen and New Covent Garden Market Authority. Construction costs for the 500,000 sq ft market development are funded by the release of 20 acres of surplus land, with no expense to taxpayers.

To date approximately 25% of the building work required for the redevelopment is complete, including an interim Flower Market, a Food Exchange building, a security lodge, new car park and new road. Also complete but still empty are the first phase of new wholesale and caterers' units for the Fruit and Vegetable Market.

Many of you reading this will be aware that there has been an ongoing legal dispute between the Covent Garden Market Authority (CGMA) and some of the tenants supported by the Covent Garden Tenants Association in relation to the ongoing redevelopment of the Market. The parties have been talking to each other for several months now in the hope of finding a solution that does not involve going to court, and together we have come up with a set of proposals to modify the design of those parts of the redeveloped Market that have not yet been built so as to take on board the tenants' stated concerns.

In order to be able to proceed to implement the changes, we need to consult with you - the wider tenant community, stakeholders and market users. We'd like you to share your views on our proposals and say whether you agree with them or not. That is why we have launched the consultation process that is outlined in this document.

Since joining as Chair around 18 months ago I have learnt that everyone at and involved with the Market is passionate about its future success. I am also certain that there are no winners if we can't resolve our differences outside court, in fact failing to do so risks the very future of the Market. I believe the proposals being consulted on today, provided they are affordable within the funding we have, are the right and necessary changes for us to make. They provide both the CGMA and the CGTA and their members with a market fit for the future that we will all be proud of.

I am greatly excited by the future prospects of New Covent Garden Market and hope you will become similarly enthused as the consultation progresses. I thank you sincerely in anticipation of your much valued feedback.



David Frankish
Chair

Introduction

Based in Nine Elms since 1974, New Covent Garden Market is London's largest wholesale fresh produce market. The market supplies London's leading restaurants and florists with the highest quality fruit, vegetables, flowers and fresh produce from the UK and around the world. The market is home to nearly 200 businesses with around 2,500 employees.

The market is currently undergoing a major redevelopment. Following a decision by CGMA, planning permission for the redevelopment was given by Wandsworth Council in 2014 and CGMA entered into a development agreement with Vinci and St Modwen to secure its delivery. **Figure 1** shows what the layout of the market will look like once the redevelopment is complete, pointing out the locations of the proposed changes that are the subject of this consultation.

Figure 2 is a plan showing the existing layout of the main market area (the existing interim Flower Market is to the north of this area) including those parts of the redevelopment which have been commenced. There is also an aerial photograph of the site at **Figure 3**.

The main elements of the market are, and will continue to be:

- The Fruit and Vegetables Market
- The Flower Market
- The Food Exchange (a facility which is a modern three-storey office building providing a total of over 40,000 ft² (3,716m²) of lettable space.

Figure 1: Layout of the market once redevelopment is complete

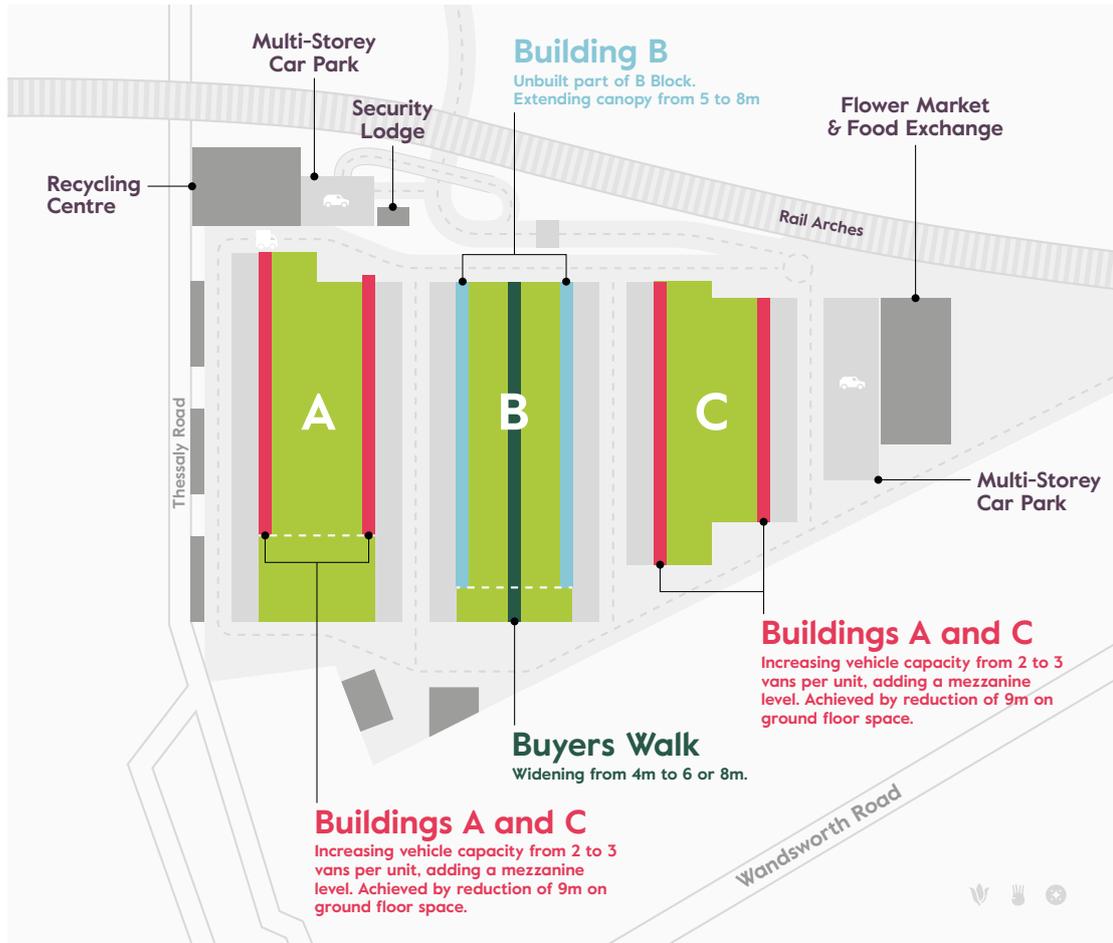


Figure 2: Existing layout of the market

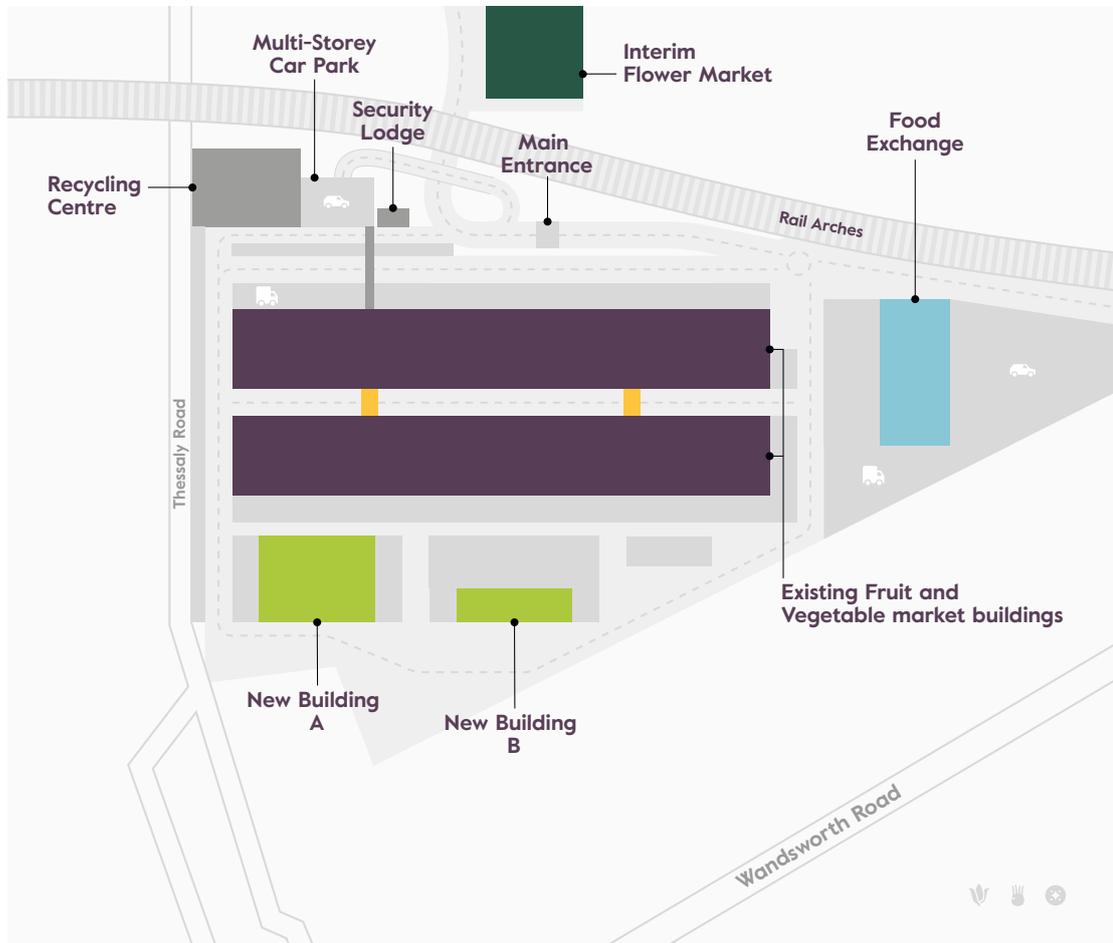


Figure 3: Aerial photograph of the site



Market Feature	Existing Market	Redeveloped Market
Vehicular access from road network	The road from the south of Nine Elms Lane crossing under the main line into Waterloo station	Unchanged, save that the market entrance layout within the market area is altered.
Fruit and Vegetable Market	Two buildings connected by link bridges.	3 new buildings (currently designated as Buildings A, B and C) containing new units, each with a high specification base build that can be fitted out by each individual tenant to suit their needs.
Flower Market	Currently in temporary accommodation to the north of the main market area.	Moves to the ground floor of the Food Exchange, where current interim distribution units are. A new car park will be built to service the Flower Market.
The Food Exchange	Currently to the east of the Fruit and Vegetable Market with the Interim Distribution Unit on the ground floor	Remains to the east of the Fruit and Vegetable Market. The ground floor will consist of the Flower Market.

The table above sets out the main elements of the existing market and describes how they will fit into the redevelopment. None of this is altered by the proposed changes which this consultation is about.

Building works on the redevelopment are underway. Part of Buildings A and B have been completed in addition to the demolition of the Old Flower market, the construction of a new temporary Flower Market, a new Security Lodge, the Food Exchange and Interim Distribution Units. The perimeter Loop Road has been installed along with the new Consolidation Area, New Waste Compound and PowerLeague Football Pitches.

What this Consultation is about and why are we doing it?

This consultation is about three of the changes that are being proposed to the redevelopment of the market. The changes set out in this consultation have been under discussion between the Covent Garden Market Authority (CGMA) and the Covent Garden Tenants' Association (CGTA) over a number of months. They are part of a proposed wider settlement agreement that will allow the redevelopment of the market to continue. The agreement will not be signed until it is approved by the CGMA Board following the outcome of this consultation.

There are three changes that are being consulted on. They are:

1. The enlargement of the vehicle loading areas for Building C and the unbuilt part of Building A, which is achieved by moving back the front of those buildings at ground floor level and removing some of the proposed supporting columns.
2. Widening the proposed Buyers' Walk in the yet unbuilt part of Building B to either 6 metres or 8 metres.
3. Extending the canopies in the unbuilt part of Building B.

As a public body, CGMA must consult on significant proposals which affect the tenants and other users of the market and stakeholders who are likely to be affected. The CGTA are fully supportive of all the proposed changes to the development.

Why are the changes being proposed?

The changes form part of a wider package of measures, which have been agreed in principle between CGMA and CGTA. This follows intensive and detailed negotiations that have taken place against the background of a well-publicised legal dispute. That dispute has been paused so that a resolution can be found which is satisfactory not just for CGMA and CGTA but for everyone involved in the market. As part of that process, this consultation is being carried out with the agreement of CGTA.

What about the developers, Vinci and St Modwen?

Vinci and St Modwen are being kept up to date with the developing discussions between the CGMA and CGTA and know that the proposals for change are emerging. Under the terms of the development agreement, their permission will be required for some of the changes, and CGMA will continue discussions with a view to obtaining that agreement following this consultation.

What is not being consulted on at this stage

The proposed changes are at a formative stage. What CGMA need to do at this stage in the process is make a decision on the principle of whether to go forward with the proposed changes. As with any development project, the proposed changes will need to be worked up in detail over time. This will involve the preparation of revised detailed logistics plans, phasing plans and other information. These will be made available to tenants and other stakeholders as they emerge, and comments will be considered. In particular, advice will be sought from two statutory market advisory committees (the Fruit and Vegetables Committee and the Flowers Committee).

If any or all of the proposed changes are taken forward after this consultation, then as the detail of the design develops, it is the intention of CGMA that it and its consultants will work with CGTA and their consultants to ensure the views of CGTA are also considered.

Some of the changes are likely to require planning permission from Wandsworth Council. It is likely that any planning application would need to be accompanied by a considerable amount of documentation, including a revised environmental statement. Tenants and other stakeholders will have an opportunity to comment on these at a later stage, when they are made available as part of the planning process.

It is important to note that it has been agreed with the CGTA that this consultation should not be and is not about the detailed migration strategy that will be adopted when it comes to moving tenants from their existing units to new ones. It is not about which individual tenant goes where. Again, that will be dealt with separately, and discussions will take place with individual market tenants.

Also, the consultation does not seek views on the option of stopping the redevelopment altogether. As mentioned above, the redevelopment is already under construction and at an advanced stage of detailed design and implementation. Stopping it now would most likely result in a financial penalty under the development agreement which would be so severe as to threaten the very existence of the market.

Other matters which have been the subject of discussion with CGTA, on which agreement has been reached in principle but which are not the subject of this consultation are:

- A commitment by CGMA to install high level roof sprinklers in Buildings A, B and C. It will include connection/tie in points in the pipework which would enable individual tenants to install any additional sprinklers they may need at a lower level in their individual units, for example “in-rack” sprinklers, so long as they do not affect the efficacy of the ceiling sprinklers. Reason: It is not considered that this change is significant enough to warrant consultation.
- Agreement to relocate the electricity points in the units that have not yet been built, so that they are adjacent to the vehicle entry points. Reason: It is not considered that this change is significant enough to warrant consultation.
- The detailed terms upon which leases will be granted in the redeveloped market. Broad agreement has been reached with CGTA on a number of matters, including rent, term, rent review, security of tenure under the Landlord and Tenant Act 1954 and fit out contributions. Reason: This is a separate commercial issue. Lease terms will be agreed separately.
- Occasional attendance at CGMA board meetings by representatives of the statutory Fruit and Vegetables Committee and Flowers Committees. Reason: It is not considered that this suggestion is likely to affect stakeholders in a way that warrants consultation.
- Keeping the market facilities under review generally, for example, about matters such as the installation of Electric Vehicle charging points. Reason: Any future steps which come forward out of the continuing review will be consulted on at the time as appropriate.

Generally, the consultation is only about the more significant of the technical changes under discussion.

The Proposed Changes

Increasing the vehicle loading areas in the unbuilt part of Building A and in Building C

Reason for proposed change:

CGTA raised concerns that the vehicle loading areas as originally planned were not large enough. CGTA want to ensure that more vans could access and park on the hardstanding. Under the original plans there was space for two vans measuring approximately 7.5 metres outside each unit. Under the revised proposals there will be additional space allowing for a further row of vans outside the units. It is important to note that the vehicle loading area is to be used only for vehicle loading and unloading. It is not to be used for storage.

The existing design specified that the vehicle loading area outside each unit would extend approximately 22 metres outwards from the front of the unbuilt part of Building A (west side) and Building C (east side) and 24 metres outwards from the front of unbuilt Building A (east side) and Building C (west side). Having considered CGTA's concerns about the length of the loading areas from the front of the units, the proposal is to increase those distances from 22 metres to 31 metres and from 24 metres to 33 metres respectively as explained in the next paragraph.

The proposed redesign of the units comprises a retraction of the lower half of the front of both sides of each building by approximately 9 metres. The upper half would remain as shown in the existing plans, creating an "overhang", in which tenants could construct a mezzanine.

In addition, as part of the redesign, the number of columns along the whole length of each building, which provide structural support for the overhanging part, will be reduced. They are currently shown as being spaced at 6 metre intervals. The aim is to remove every second column to allow better manoeuvrability of the vans backing up under the new recess created by the retraction of the lower half of the building.

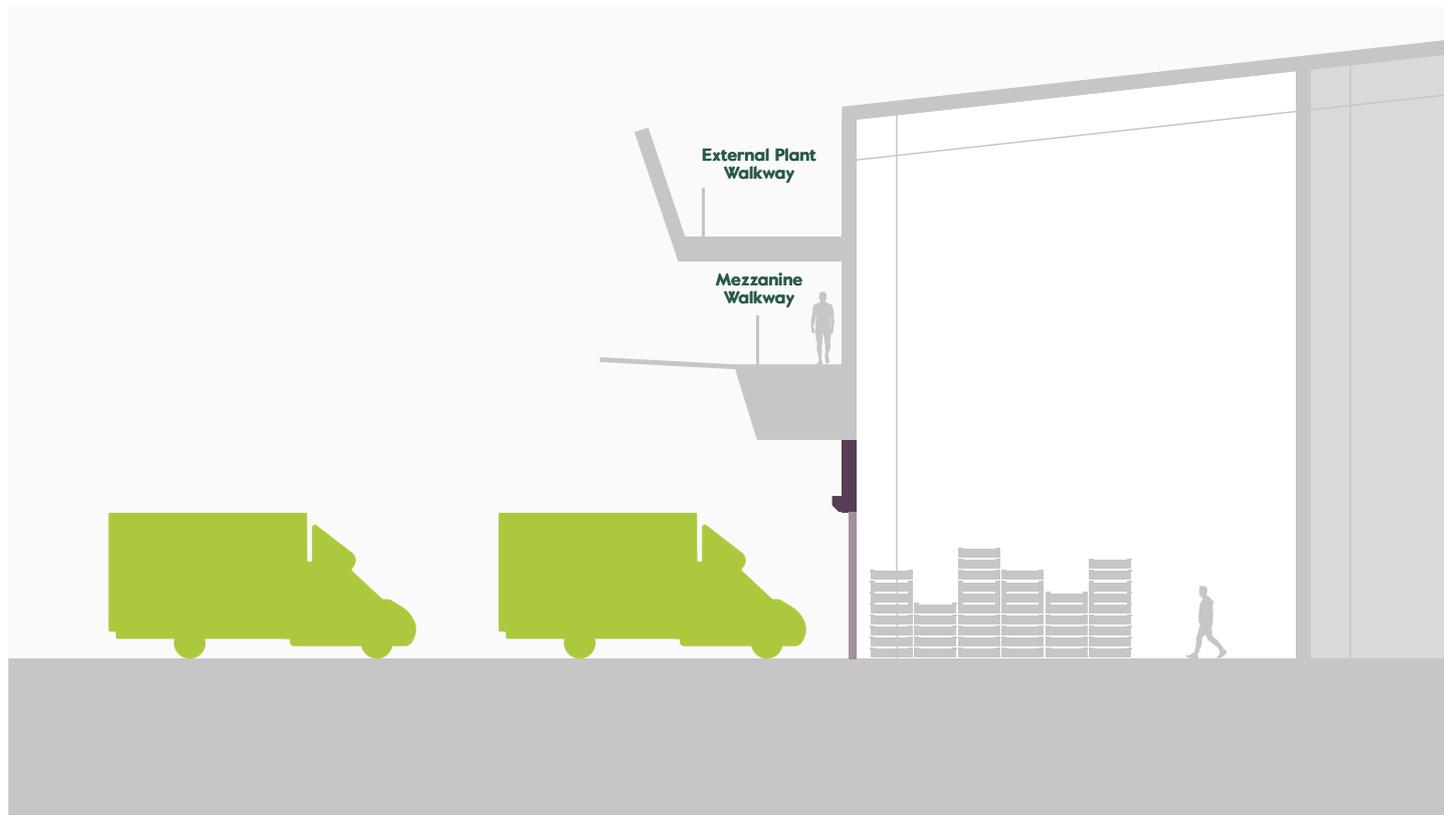
Each unit in the unbuilt part of Building A and in Building C would be constructed with a basic steel structure without any mezzanine flooring that will be suitable for office and light storage use. Under the terms of the settlement agreement, rent concessions will apply to mezzanine areas. Tenants should contact CGMA for further details of those concessions.

Each individual tenant would be able to decide themselves whether they wished to use the overhang as a mezzanine. The tenant would construct any mezzanine as part of their fit out works and at their own cost.

The proposal for the retracted lower frontages is illustrated by the cross-sectional “before and after” drawings of a typical unit at **Figure 4**.

Figure 4: Increasing the vehicle loading areas in Buildings A and C

Original planned layout



Proposed change



The changes would result in:

- An overall average increase in the vehicle loading area from 136.4 m² to 198.4 m² outside each unit in the unbuilt part of Building A (west side) and in Building C (east); and an increase from 148.8 m² to 204.6 m² in unbuilt A (east) and in C (west).
- An overall average decrease in area from 196 m² to 142 m² of ground floor space in each unit in the unbuilt part of Building A and in Building C, caused by the setting back of the front of the buildings.

There would need to be discussions with the Developers about this proposal because their agreement would be required for the changes. Planning permission is also likely to be required for the proposed changes.

Advantages and Disadvantages of the proposed change compared with existing proposal

Advantages:

- Larger area for vehicle movement and loading;
- Less expense for the tenant in creating a mezzanine for office use because of the additional steel supports needed as part of the design.

Disadvantages:

- Reduced ground floor space for tenants.

The Buyers' Walk in the unbuilt part of Building B

Reason for proposed change:

The CGTA considers that the existing proposal provides insufficient space in the Buyers' Walk.

Inside Building B, there will be rows of units on either side for the whole length, separated by a Buyers' Walk which enables customers to meet the tenants and view the produce for sale.

The Buyers' Walk is an important part of the proposals for the CGTA. At busy times, it will be important that there is sufficient space for the numbers of people who will be using it.

Under the existing proposals (and in that part of Building B that has already been constructed), the width of the Buyers' Walk is approximately 4.5 metres. The proposal is to increase that width to a minimum of 6 and maximum of 8 metres in that part of Building B that is yet to be constructed.

The "before and after" cross-sections in **Figure 5** show the effect of the proposed change on the units in two different scenarios; a widening of the Buyers' Walk to 6 metres and a widening to 8 metres. If the Buyers' Walk were widened, it might result in a small reduction in the ground floor area of a typical unit in the unbuilt part of Building B.

The additional width could result in the possibility of tenants being able to show some of their produce in the area immediately adjacent to their units on Buyers' Walk. This is a matter on which the CGMA would welcome views of consultees. The proposal is that tenants whose units back on to Buyers' Walk would be able to use it to display goods, as long as they keep access and egress clear, do not obstruct shutters, and display only in designated areas. CGMA's preliminary view is that a minimum of 2 metres width should be kept clear of obstructions to enable the free flow of pedestrians.

There would need to be discussions with the Developers about this proposal because their agreement would be required for the changes. If the detailed design were to show that there were technical or financial reasons why the Buyers' Walk should not be increased to 8 metres, or the Developers were for some other reason unable to implement the change, then consideration would be given to a smaller extension, but the ideal position agreed in principle by CGMA and CGTA is that the total width should not be smaller than 6m.

More detailed drawings are being prepared to fully understand the scope. These will be shared with the CGTA and made available to consultees on request.

Planning permission is unlikely to be required for the proposed changes.

Advantages and Disadvantages of the proposed change compared with existing proposal

Advantages:

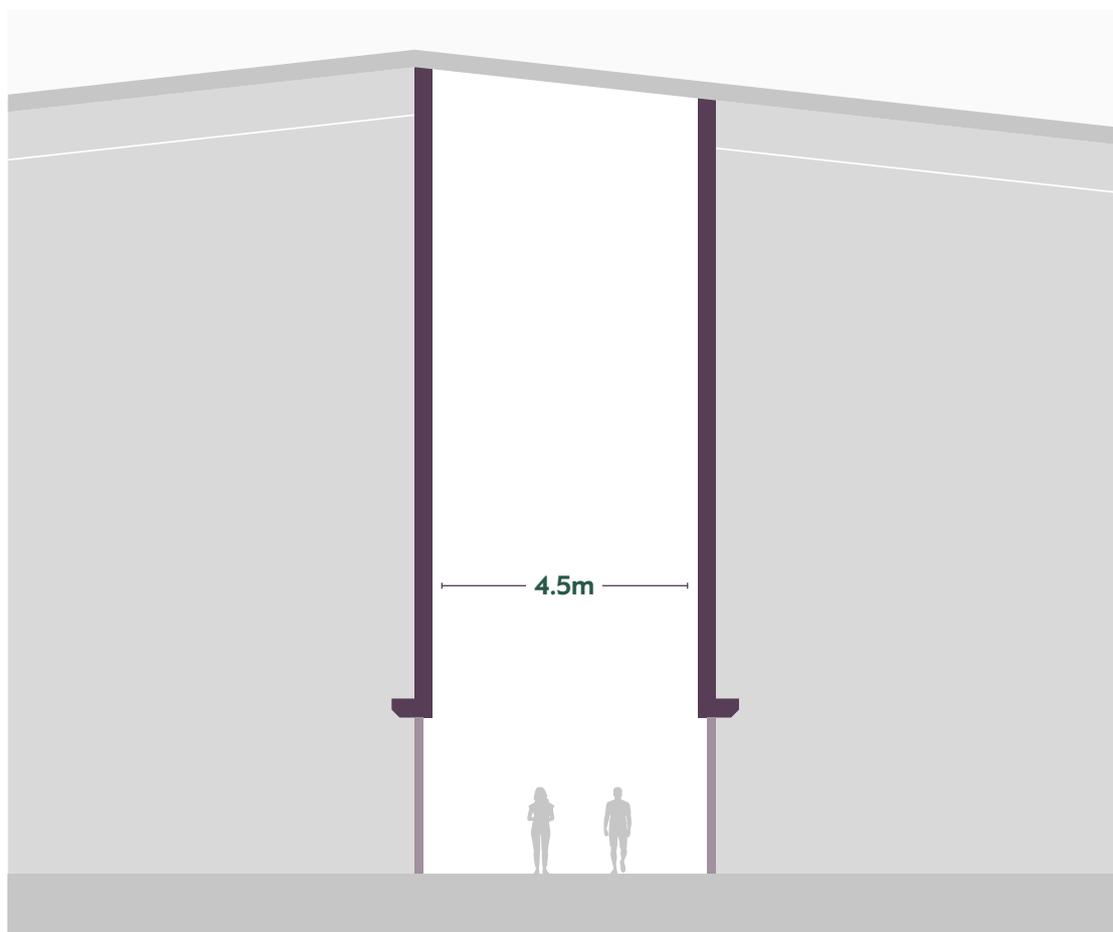
- Larger area for Buyers, making it easier for them to circulate throughout the Building and view produce;
- Potential for display in the Buyers' Area, provided health and safety and fire regulations are met.

Disadvantages:

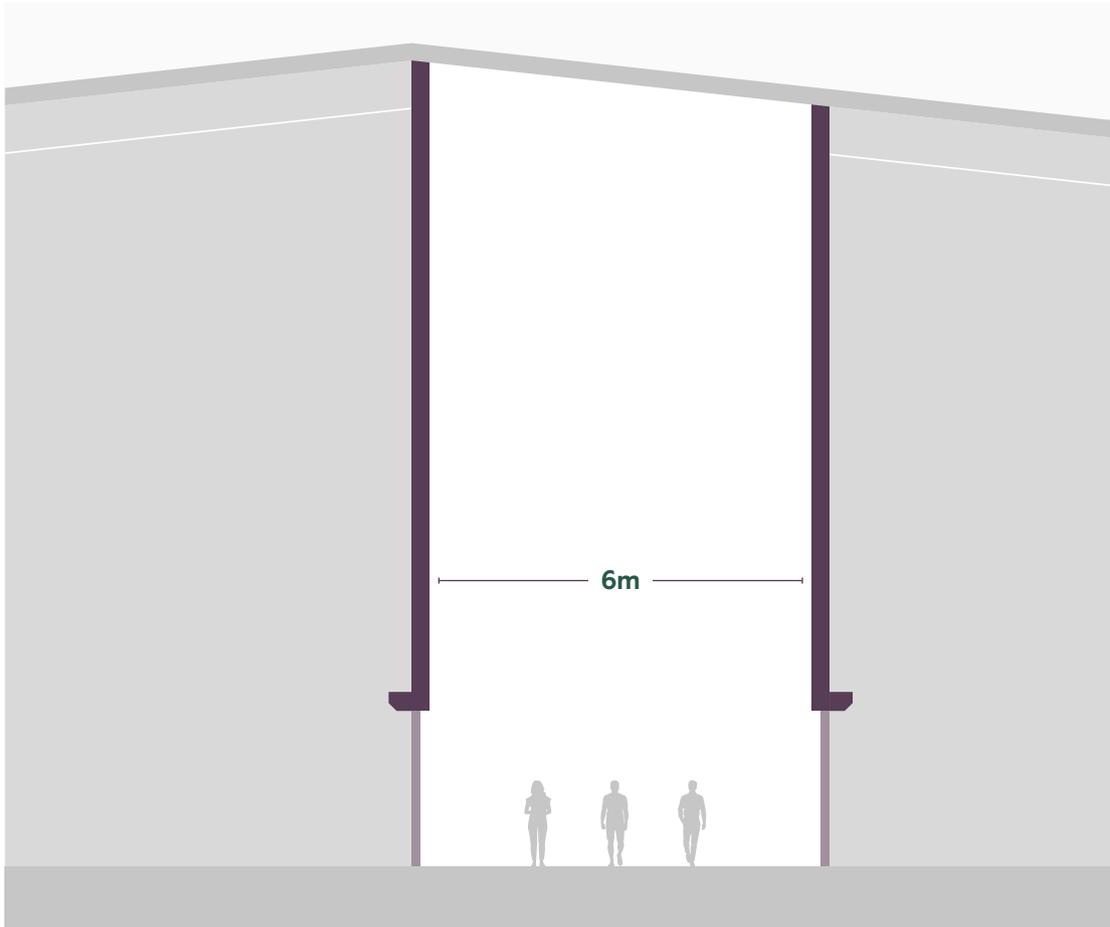
- Potential for a reduction in the ground floor space of each unit.

Figure 5: The Buyers' Walk in the unbuilt part of Building B

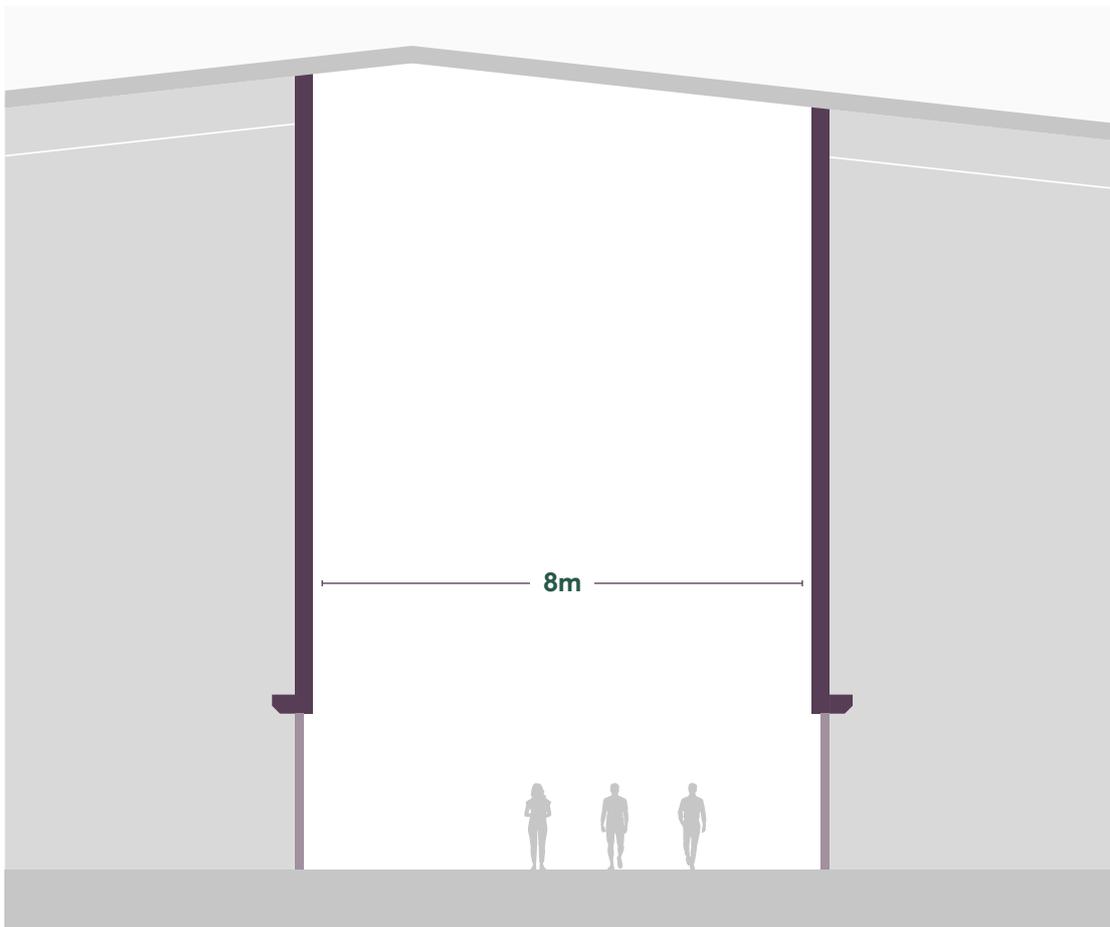
Original planned layout of The Buyers' Walk (4.5 metres)



Proposed change at 6m



Proposed change at 8m



Building canopies on the unbuilt part of Building B

Reason for proposed change:

Additional protection from the weather

In the existing design, there would be a canopy running along the whole length of both sides of Buildings A, B and C, the purpose of which is to provide shelter from the weather. The current design for all three buildings shows the canopy extending to approximately 5 metres out from each building out into the vehicle loading areas.

The proposed change is to increase the depth of the canopies on that part of Building B which is yet to be constructed by approximately 3 metres. This will mean that instead of the canopies extending out by 5 metres it will be 8 metres.

The effect of the proposal on a typical unit is illustrated on the section at **Figure 6**.

These changes would require the agreement of the Developers and would require planning permission.

Advantages and Disadvantages of the change compared with existing proposals

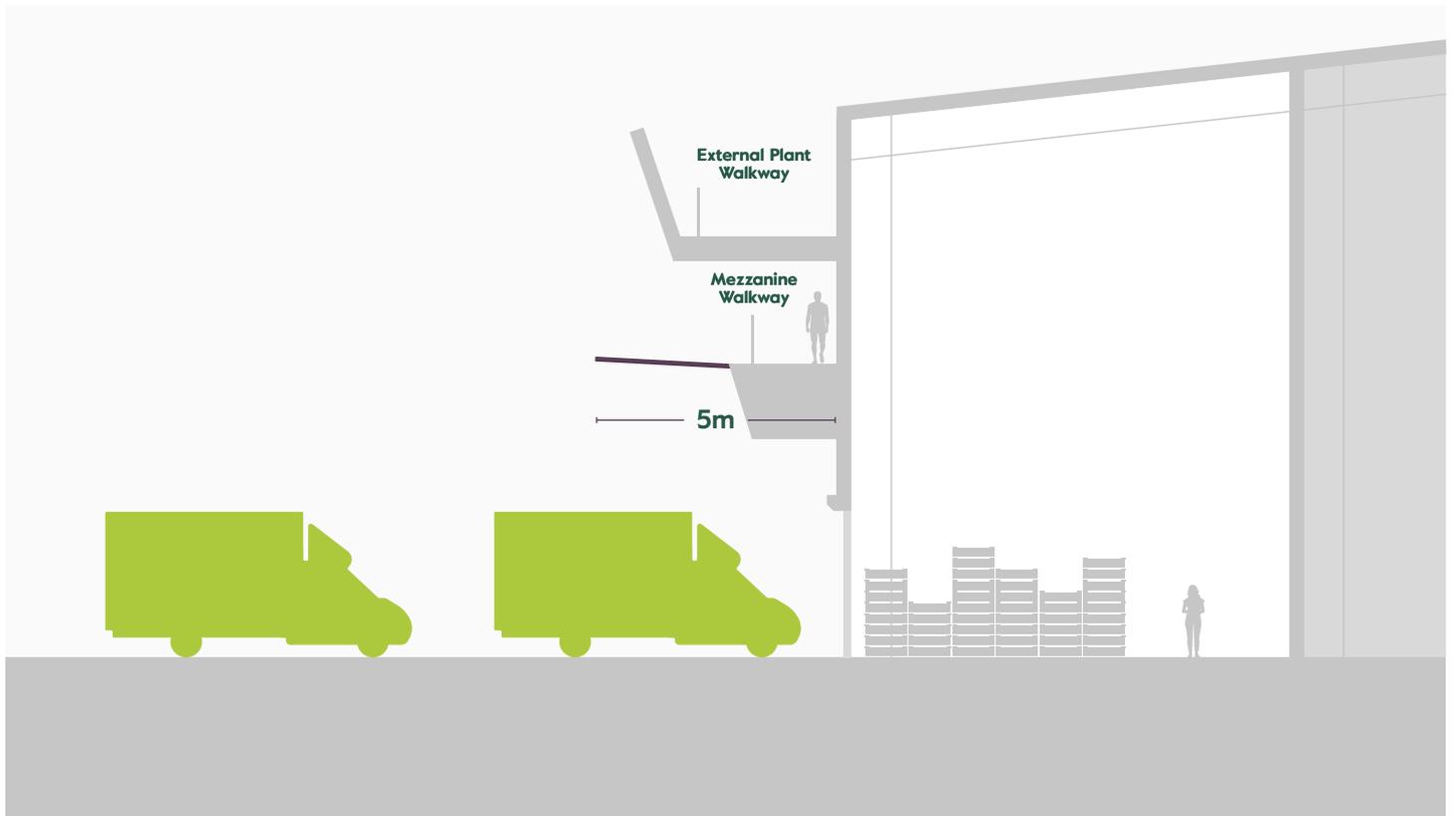
Advantages:

- Greater protection for goods and people using the market facilities from the weather

Disadvantages:

- None apparent to CGMA

Figure 6: Building canopies on the unbuilt part of Building B
Original planned layout



Proposed change



Alternatives to the proposed changes

The alternatives, in the case of each of the individual proposed changes described in this document, are:

- Not to make the changes at all, and deliver the scheme as originally proposed; or
- Address the issues that each proposal is intended to resolve in a different way.

CGMA have, in its conversations with CGTA discussed different alternatives and both CGMA and CGTA are of the view that the proposed changes described in this document represent the best way forward, and they are therefore put forward as the preferred options.

In particular, the alternatives that have been discussed are:

- **Vehicle loading areas:** consideration was given to retracting the entire face of the unbuilt part of Building A and of Building C by 9 metres. This posed significant planning risks as it significantly altered the appearance of the buildings. It also created challenges over the pitch of the roof and didn't provide enough lettable space.
- **Buyers' Walk:** In providing more space in the Buyers' Walk in Building B, consideration has been given to incremental increases ranging up to 8m - these remain under consideration and views are requested in this document.

No particular alternative to the canopy extension proposal has been given consideration.

However, just because the proposals are the preferred options does not mean that CGMA will not consider alternatives (including not making some or all of the changes at all). The purpose of this consultation is to hear what tenants and other stakeholders have to say and consider whether alternatives should be taken forward.

Questions for consultees

Consultees are invited to respond to the following questions:

Whether in the case of each of the revised proposals you:

- (a) Strongly approve
- (b) Approve
- (c) Neither approve nor disapprove
- (d) Disapprove
- (e) Strongly disapprove

Whether in the case of each of the revised proposals you have any other comments, including the reasons for your approval rating, any alternatives (including not implementing the proposal at all) or potential refinements to the proposals.

Whether you have any other points about the matters raised in this consultation document.

How to respond and when

You are invited to respond in one of three ways:

- Email: Visit www.newcoventgardenmarket.com to download the response form and return it to consultation@cgma.co.uk
- Post or delivery point: Visit www.newcoventgardenmarket.com to download the response form and return it to Consultations, New Covent Garden Market Authority, Food Exchange, London, SW8 5EL
- Tenants of New Covent Garden Market will be sent an email with a link to an online survey to complete. However they can also respond through email or post.

Please note that CGMA will only consider responses that are received in one of the above ways.

The closing date and time for responses to this consultation is **23:59 on 3rd August 2020**. CGMA may not take into consideration any responses received after then. If you intend to return a response by post then please consider that potential delays may be caused due to the COVID-19 situation.

If you need any assistance in completing the response form then please contact CGMA on consultation@cgma.co.uk or by phone on 020 7720 2211 or New Covent Garden Market Authority, The Food Exchange, New Covent Garden Market, London SW8 5EL (attention: "Consultation").

Who is being consulted?

Anybody is welcome to respond to this consultation. This document is being sent to a number of bodies including:

- All existing market tenants
- Market customers: including all those customers with vehicle tags
- Members of the Market Advisory Committee (Flowers)
- Members of the Market Advisory Committee (Fruit and Vegetables)
- The CGTA
- Wandsworth London Borough Council
- Lambeth London Borough Council
- The Mayor of London
- Defra

Meetings of the Market Advisory Committee (Fruit and Vegetables) and the Market Advisory Committee (Flowers) will be held during the consultation period to discuss the proposals.

Availability of copies

If you would like to receive a hard copy of this consultation paper then please either

- Email at consultation@cgma.co.uk
- Write to The Food Exchange, New Covent Garden Market, London SW8 5EL (attention: "Consultation") or
- Phone 020 7720 2211

Please indicate if you would like a large print version.

Next steps

After the consultation period has ended, a report on the responses will be compiled and the CGMA Board will consider it and make a formal decision as to whether to proceed with all or some of the proposals described in this document or none at all. It is intended that this decision will be taken by the end of August. The report on the consultation will be published on the CGMA website, as will the Board's conclusions.

If the decision is that some or all of the proposals should be proceeded with:

- Some of them would require the approval of the Developers. CGMA would use its reasonable endeavours to obtain that approval;
- Some would require planning permission, so CGMA would begin the pre-application steps that would need to be taken in advance of making the necessary application;
- Further detailed design work and studies would need to be undertaken, including the completion of logistics studies. As mentioned earlier, CGMA will discuss the details as they emerge with CGTA and its consultants and will seek the advice of the two market management advisory committees as the details emerge.

Covent Garden Market Authority

Date 6th July 2020

Privacy Notice: Please see the CGMA's Privacy Policy at this link, and in particular the reference to consultees: <https://www.newcoventgardenmarket.com/privacy>