



THE
ARCH
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THE ARCH COMPANY

TENANTS' CHARTER TWO YEARS ON

[THEARCHCO.COM](https://www.thearchco.com)

THE YEAR IN NUMBERS



3,800 CUSTOMERS
ACROSS THE
ESTATE, THE SAME
AS BEFORE THE
PANDEMIC



1,550 CUSTOMERS
GIVEN A THREE-
MONTH RENT-FREE
PERIOD



£200M COMMITTED
TO PROJECT 1000
TO BRING 1,000
EMPTY AND
DERELICT ARCHES
INTO USE BY 2030



319 CUSTOMERS
WHO HAVE MOVED
INTO THE ESTATE
OVER THE PAST YEAR



£11M HARDSHIP FUND
TO HELP INDEPENDENT
SMALL BUSINESSES
MOST SEVERELY
IMPACTED BY
THE PANDEMIC



DOUBLING OF
PROPERTY AND
SITE MANAGEMENT
FIELD STAFF
OVER TWO AND A
HALF YEARS PERIOD



CUSTOMER
RETENTION RATE,
UP FROM 89%
UNDER PREVIOUS
OWNERSHIP



OF CUSTOMERS
ARE SMES,
UNCHANGED FROM
LAST YEAR



SIXTEEN COMMUNITY
GRANTS TO SUPPORT
ARCH DAY 2021



FOREWORD

WELCOME TO THIS UPDATE ON HOW WE ARE DELIVERING ON THE COMMITMENTS SET OUT IN OUR TENANTS' CHARTER. DESPITE THE PANDEMIC, WE HAVE MADE GOOD PROGRESS IN IMPROVING THE WAY WE WORK WITH OUR CUSTOMERS.

Following extensive consultation with customers, the Charter was published in 2019 and is based upon four key principles:

- *Being an accessible and responsible landlord;*
- *Providing spaces that help our customers' businesses to thrive;*
- *Working in partnership with our customers; and*
- *Creating positive social and economic impact in local communities.*

Of the 44 commitments set out in the Charter, **34 have been completed** or are part of our ongoing customer service standards and progress has been made on the other ten commitments. In some cases, we have gone further than what we originally set out to do, not least because of the challenges posed by the pandemic. **We provided 1,550 customers with a three-month rent-free period** and provided hundreds more with other forms of financial support.

This has helped us to retain the same number of customers - **approximately 3,800 - as we had before the pandemic.**

We have continued our commitment to acting sensitively on changes in rental values by having an explicit policy that considers a longstanding small business customer's ability to pay when determining new rent levels. We also announced our **Project 1000 plan to invest £200m** to bring 1,000 previously empty and derelict arches into use by 2030.

It is important for the Charter to evolve so that it stays relevant to our customers' needs. In consultation with our customers and their representative groups, including Guardians of the Arches and Federation of Small Businesses (FSB), our intention is to build upon the Charter commitments and publish a revised version that sets out the service standards our customers should expect from us.

I hope you find this report a useful update on what we have achieved to date and our future direction of travel.

Adam Dakin
Managing Director

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One annual survey carried out to get customer feedback



Doubling of property and site management field staff over two and a half years



Calls received a response within two days, up from 76% in 2020



Maintenance requests were completed in 30 days and timetables were agreed for more complex demands, up from 86% in 2020



Induction with a Property Manager set to happen within four weeks of moving in



Digital e-invoicing being rolled out next year

01

BEING AN ACCESSIBLE AND RESPONSIBLE LANDLORD

SUPPORTING CUSTOMERS THROUGH THE PANDEMIC HAS BEEN OUR KEY PRIORITY OVER THE PAST YEAR. WORKING EVEN MORE CLOSELY WITH OUR CUSTOMERS HAS GIVEN US FRESH INSIGHTS INTO THE CHALLENGES THEY FACE AND HOW WE CAN WORK TOGETHER TO HELP OVERCOME THEM.

Our 2020 Customer Survey showed that **our £11m Hardship Fund, which provided 1,550 customers with a three-month rent-free period**, was invaluable in supporting customers whose businesses were abruptly impacted by the loss in trade.

The survey also showed that customers want us to do more to improve our service levels. Since taking on ownership of the estate in February 2019, we have **introduced several steps that will help us to improve customer service** in the months and years ahead.

Customers told us that having a named point of contact who understood how small businesses operate was invaluable. We have therefore **doubled the number of property and site management field staff** to reduce caseloads and better respond to our customers' needs.

We have redesigned our induction process. From next year, **new customers will meet their Property Manager within four weeks of moving in**. Annual safety inspections have been brought in house, enabling our field staff to get to know our customers' businesses better and be in a position to resolve more issues on-site.

Customers also told us they want us to improve our processes to give them more time to focus on running their businesses. In response we are rolling out **digital e-invoicing** next year which will make invoices easier to access and simpler to understand. We have also created a new team to streamline our move-out processes, which will help to ensure the swift return of deposits where this is applicable.

CUSTOMER CASE STUDY

ARCADE COFFEE & CO, LONDON

Shan Miah founded Arcade Coffee & Co in a railway arch underneath Herne Hill station, minutes away from where he grew up in South London. Having walked past the previous kiosk for years, Shan saw the unique potential. When the space became available, he worked with his contact at The Arch Company to secure the arch.

Shan created a pop-in coffee shop inspired by the arch's industrial heritage and launched the business in early 2020. Unfortunately, shortly after, the pandemic hit. Our £11m Hardship Fund offered well-timed rent support that enabled his company to navigate through the worst of the pandemic.

“In the first lockdown, we were incredibly worried about how we would survive. The Arch Company’s Hardship Fund

gave us the ability to suspend our rental payments for three months. It was an absolute lifeline. I feel really grateful that we’ve been in this position, and I believe it’s because of our unique location, as well as our incredibly supportive customers, that we have been a success.”

Shan Miah, Arcade Coffee & Co

Our support - alongside that of the local neighbourhood - means that Arcade Coffee & Co has a positive future. Shan is eager to remain within Herne Hill and is busy creating another business nearby.





3,800 customers across the estate, the same as before the pandemic



Committed to Project 1000 to bring 1,000 empty and derelict arches into use by 2030



Invested in upgrading arches so far



319 customers moved into the estate over the past year



Customer retention rate, up from 89% under previous ownership

02

PROVIDING ENVIRONMENTS THAT HELP OUR CUSTOMERS TO THRIVE

THIS YEAR WE ANNOUNCED 1,000 RAILWAY ARCHES WOULD BE BROUGHT INTO USE BY 2030 AS PART OF A £200M INVESTMENT PLAN CALLED PROJECT 1000.

Of the 5,200 rental spaces The Arch Company purchased from Network Rail in 2019, only 3,800 were occupied, with 1,400 vacant. Hundreds of these empty spaces were derelict and in need of significant investment before they could be occupied.

Project 1000 is our plan to invest £200 million to bring a thousand empty and derelict spaces into use by 2030. Our ambition is that Project 1000 will create **space for 1,000 businesses**, supporting approximately **5,000 jobs** and adding to the estimated **25,000 people already employed** in arch businesses.

The Project 1000 development programme spans England and Wales, including **major works in London, Manchester, Windsor, and Leeds.** Once these arches are fit for purpose, they will become new spaces within which businesses can thrive, bringing jobs and positive change to local communities.

Through a combination of **£13.5m of capital investment**, and more active marketing, we have already made good progress in increasing the number of **properties available to small businesses.** These are often in prime urban locations and close to good transport networks. This has helped to attract 319 new customers into the estate over the past year. Our customer retention rate is 92%, which is up from 89% under previous ownership.

CUSTOMER CASE STUDY

FULLY CHARGED, LONDON

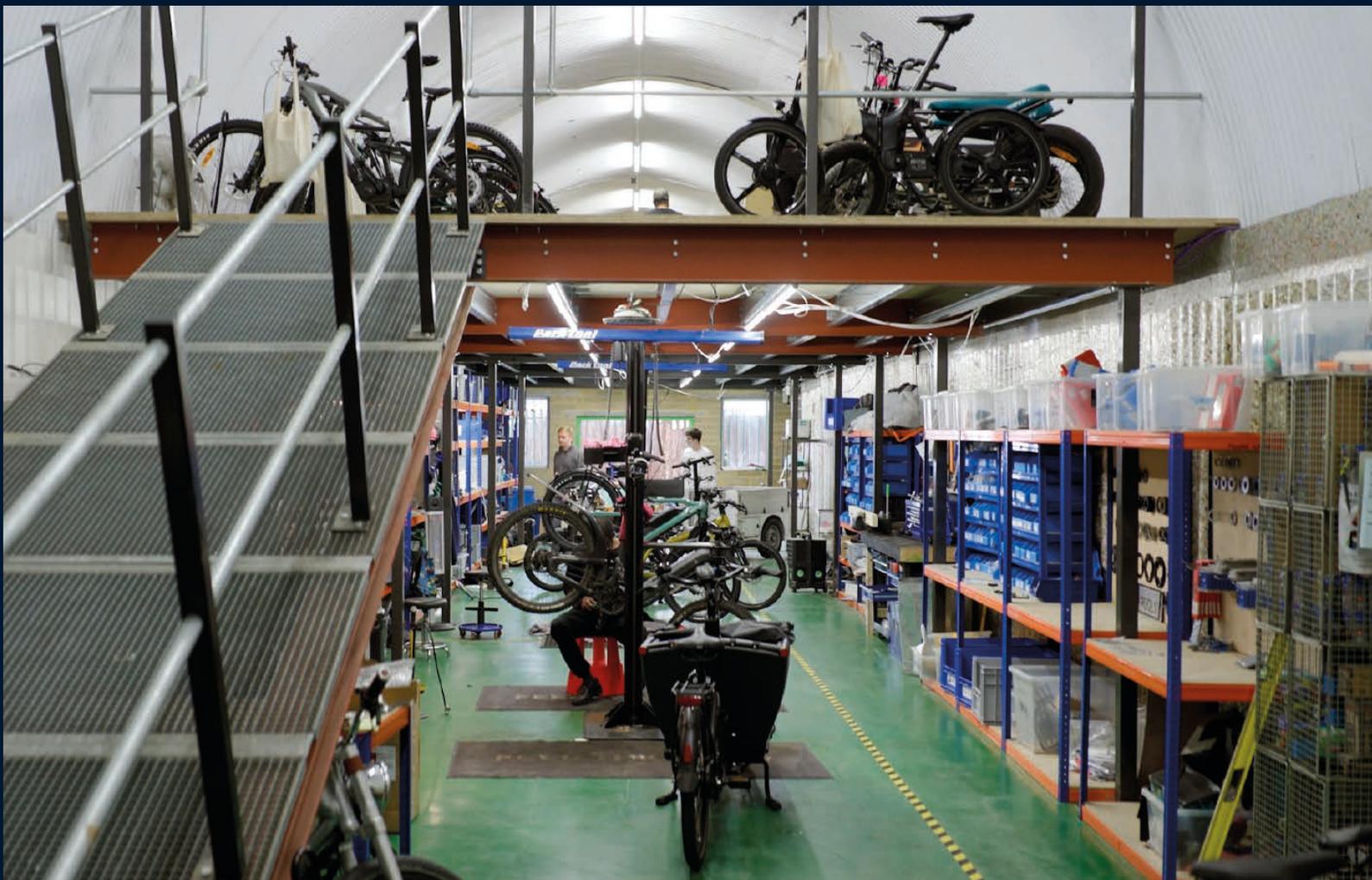
Fully Charged is an environmentally considerate business that is proving popular as people and businesses make more sustainable transport choices. Their eCargo bikes offer a highly efficient method of transporting people and goods across London.

With a service centre already in a railway arch, the team wanted to expand into a customer-facing showroom. As the company continued to grow, we understood their changing needs and helped Fully Charged find a second space that supported their ambition to launch the UK's largest eBike service centre. In 2021, Fully Charged expanded into a four-arch space on Holyhood Street, which is well situated thanks to its proximity to London Bridge Station and The Shard.

“The railway arch network offers practical, desirable and flexible spaces, suiting our versatile network of riders. Our 10,000 square feet service centre is not only within walking distance from our showroom on Crucifix Lane, but one that we can grow into as a business by supporting the continuing demand we are seeing in the wake of the eBike boom.”

Dan Parsons, Founding Partner at Fully Charged

Set in the heart of the local business community, the new space has allowed Fully Charged to expand their customer offering, whilst forging partnerships with neighbouring businesses, and even supporting NHS hospital staff with bike loans too.





1,550 customers given a three-month rent-free period



£11m Hardship Fund to help independent small businesses most severely impacted by the pandemic



24 Tenants' Charter concessionary deals agreed to support longstanding small business customers



Customers with a rent review falling during the pandemic were given the option to defer discussions

03

WORKING IN PARTNERSHIP WITH OUR CUSTOMERS

THE CHARTER OUTLINES OUR APPROACH TO PROVIDING SPACES AND A SERVICE THAT SUPPORTS CUSTOMERS, WHILST ALSO ACHIEVING MARKET RENTS THROUGH A CLEAR AND TRANSPARENT RENT REVIEW PROCESS.

We are one of the few commercial property landlords to have a specific policy to **provide discounts for longstanding small businesses who would otherwise struggle to pay the market rent.** Since we took on management of the estate, 24 customers have been given concessions in the form of stepped rental increases. **Further concessions have been granted as part of negotiations on Covid-related rental repayment plans, rent reviews and lease renewals.**

A further **£1m was allocated to the original £10m Hardship Fund that we established in March 2020 to help independent small businesses most severely impacted by the pandemic.** The Hardship Fund provided 1,550 customers three months' rent free. Hundreds more received other forms of financial support including rent deferrals, the option to draw down deposit funds and more flexibility around payment schedules. In addition, customers who had a rent review falling between March 2020 and July 2021 had the option to defer rent review discussions if they wanted to.

We are **working closely with customers in rental arrears,** asking them to pay what they can now and agreeing repayment plans. We went above and beyond the Government's Code of Practice for the commercial property sector by rapidly setting up a web portal - **our Coronavirus Recovery Unit** - to make it as easy as possible for customers to request support or discuss a rent repayment plan.

Improvements have been made to the rent review process itself so that small business customers are normally contacted by phone in advance of a notice being served. **Customers are given a dedicated surveyor to act as a single point of contact** to help answer questions and discuss options.

CUSTOMER CASE STUDY

JEFFAY FURNITURE, MANCHESTER

Jeffay Furniture has always been rooted in Manchester. Jeffay Furniture has pivoted from being a small DIY store to a bespoke furniture maker yet remains family-run, passing down from founder Jack Jeffay to son Bob and now grandson Andrew.

Jeffay Furniture has been in their arch on North Western Street, at the heart of Manchester's thriving Northern Quarter, since 2015. They chose the arch thanks to its central location, just ten minutes from Piccadilly Station. It also meant that Jeffay Furniture had a ready-made customer base, as they could supply frames, plinths and woodwork to local creatives.

The pandemic has been one of the most challenging years in the firm's hundred-year history. Andrew was relieved when we offered four months rent-free and was grateful that their longstanding tenancy was recognised.

"We've been in business for over a century and seen it all - until Covid-19. Receiving four months rent-free from The Arch Company made a significant difference in alleviating the pressure off the business, at a time when turnover was down. The team made it a really easy process, with no worrying or waiting to hear whether we would be accepted."

Andrew Jeffay, Jeffay Furniture





At least **90%** of customers are SMEs, unchanged from last year



25,000 people employed by our customers across the estate



Sixteen community grants to support Arch Day 2021



Twelve start-ups and social enterprises transitioned across to commercial tenancies as part of a Meanwhile Space use project



One unit given over to an LGBT+ community organisation to support pride celebrations



Residents consulted for a public art project in Herne Hill, south London

04

CREATING POSITIVE SOCIAL AND ECONOMIC IMPACT

WE HAVE TAKEN STEPS TO HELP PRESERVE THE COMMUNITY OF DIVERSE BUSINESSES IN OUR PORTFOLIO AND WORK WITHIN LOCAL COMMUNITIES TO MAKE A POSITIVE SOCIO-ECONOMIC IMPACT.

Our targeted financial support has helped to retain approximately the same number of customers - 3,800 - as before the pandemic. At least 90% of our customers are SMEs who collectively employ roughly 25,000 people across the estate. **Our Project 1000 plan will bring 1,000 arches into use by 2030 helping to create an additional 5,000 jobs** and turn previously empty and derelict arches into vibrant spaces for small businesses.

With support from local and regional politicians, we ran our **#loveyourlocalarches** campaign for the second year. We partnered with community action charity Groundwork to provide sixteen community grants - provided by The Arch Company Social Fund - that enabled customers to put on events to promote themselves in their local communities.

We have continued to make unused arches available for charities and public sector organisations, including the FareShare foodbank and the London Ambulance Service. We also provided temporary event space to an LGBT+ community organisation in Vauxhall as part of Pride celebrations in September 2021. **Our partnership with Meanwhile Space in Loughborough Junction has led to twelve start-ups and social enterprises transitioning across to commercial tenancies** with us.

We completed several public art projects including a partnership with the Herne Hill Forum to install a piece of public art on an electricity substation, which involved consulting with 750 local residents on their preferred design. We also partnered with the Business Improvement District in Vauxhall on the installation of public art to celebrate Vauxhall's railway arches and their links with the LGBT+ community.

CUSTOMER CASE STUDY

ARCH DAY 2021, FLAGSHIP EVENT IN SALFORD

A flagship Arch Day event took place in Salford in Greater Manchester this year, the culmination of our #loveyourlocalarches campaign that ran throughout June. We partnered with community action charity Groundwork to provide sixteen customers from across England and Wales with match-funded grants of up to £2,500 each to help promote their Arch Day activities.

This funding was critical in helping our customers to buy additional equipment, create one-off events, fund special offers and bring in extra staff. Customers ranging from Bath, Sheffield and Kent created experiences including wine tastings, live art and workshops.

Our flagship Arch Day event in Salford included a giant picnic area in Chapel Walks, where many previously derelict and empty arches are being brought into use. Customers from across the

neighbourhood hosted activities, with Ballet Contours inviting members of the public to take place in complimentary dance classes, Manchester Union Brewery supplying drinks, Mandy's Mobile Munchies serving food and a DJ completing the event.

“We were so pleased to be involved at Arch Day Fest and loved showing the power of barre and Ballet Contours to members of the public. As a local business, we really appreciated the support of The Arch Company - and felt proud to be celebrating within our community.”

Heather Boulton, Director of Ballet Contours



05

AUDIT OF TENANTS' CHARTER COMMITMENTS

The table below outlines the progress we have made in delivering on the 44 commitments set out in the Tenants' Charter.

BEING AN ACCESSIBLE AND RESPONSIBLE LANDLORD			
1	Customer Service	COMMITMENT: We will acknowledge receipt of all enquiries made to our Call Centre within 24 hours and provide an initial response within two business days.	PROGRESS TO DATE: Partially completed. All calls are automatically acknowledged within 24 hours. Since May 2021 when we introduced new reporting software, 83% of customer calls were responded to within two days.
2	Maintenance Requests	COMMITMENT: We intend to be able to close all regular requests within a 30-day period. For more complex requests, where a 30-day deadline might not be possible, we will agree a clear timetable with customers.	PROGRESS TO DATE: Partially completed. Since May 2021 when we introduced new reporting software, 87% of requests were completed within 30 days and timetables were agreed for more complex requests.
3	Property Managers	COMMITMENT: We will write to every customer to confirm who their Property Manager is and also provide information online on The Arch Company website.	PROGRESS TO DATE: Partially completed. All new customers are informed of who their Property Manager is when they join. In addition, we are aiming to meet each new customer within four weeks of them moving in. Existing customers can get in touch with their Property Manager directly or by calling our helpline. Information is also available via our website .
4	Site Managers	COMMITMENT: Increase the number of Site Managers across the estate.	PROGRESS TO DATE: Completed/Ongoing. Over the past two and a half years we have doubled the number of frontline staff working on the estate.
5	Safety Inspectors	COMMITMENT: Increase the number of external Safety Inspectors.	PROGRESS TO DATE: Completed/Ongoing. We have brought responsibility for safety inspections in-house with inspections now carried out by Site Facilities Managers. We have also appointed a new Head of Safety.
6	Glossary of Roles and Responsibilities	COMMITMENT: We will put together a glossary of all The Arch Company people working across our estate and outline each of their responsibilities in the revised Handbook.	PROGRESS TO DATE: Completed/Ongoing. This is in the Who's Who section of the Tenant Handbook on our website.
7	Meeting SME Groups	COMMITMENT: We will regularly meet with relevant organisations, such as customers and small and medium sized business (SME) groups, to ensure we are constantly evaluating our processes and improving our performance.	PROGRESS TO DATE: Completed/Ongoing. We have maintained regular contact with SME groups like Federation of Small Businesses (FSB) and Guardians of the Arches. We are continuously evaluating our processes and improving our performance.
8	Customer Survey	COMMITMENT: We will survey our customers every year to get feedback on how we can better support you.	PROGRESS TO DATE: Completed/Ongoing. We carried out a survey of customers last year, which we're using to improve our customer service. We are planning to introduce more regular online surveys so we can get more regular feedback on how we can improve our service to customers.

PROVIDING ENVIRONMENTS THAT HELP OUR CUSTOMERS TO THRIVE

9	Bringing Arches Back Into Use	COMMITMENT: Bring more than 600 additional arches back into use to help support local economic activity and increase flexibility as your business grows. As of October 2019, more than 360 arches were back up and running or being actively marketed across our estate. In October 2019 we said we were investing in refurbishment and building programmes to bring 240 additional arches back into use.	PROGRESS TO DATE: Partially completed. We have announced a plan, called Project 1000, to bring 1,000 arches into use by 2030. This replaces the original commitment to bring 600 additional arches back. Through a combination of capital investment and more active marketing we have been able to increase the number of units available to small businesses.
10	Maintenance and Service Levels	COMMITMENT: We will carry out a formal review of both maintenance and service levels across the estate. Any additional shortcomings we identify we will address through a prioritised programme and we will update customers and representative groups on our progress in our regular meetings going forward.	PROGRESS TO DATE: Completed/Ongoing. We have completed the review and keep customers and representative groups informed in our regular meetings.
11	Investing in the Estate	COMMITMENT: We are planning to invest significant amounts to improve the estate over the coming years. We are evaluating proposed initiatives and will properly manage the areas that you share with other arches, focusing on cleaning, security, and waste collection.	PROGRESS TO DATE: Completed/Ongoing. We have invested £13.5m on capital expenditure projects since acquiring the portfolio. We have a £200m plan, called Project 1000, to bring 1,000 arches into use by 2030.
12	High Quality Contractors	COMMITMENT: We will use high-quality trustworthy contractors, who will agree to clear timescales for delivering works, while seeking to minimise disruption to your business. Timescales will likely vary from project to project, but we expect our contractors to give customers a clear timetable and regular updates on progress against that.	PROGRESS TO DATE: Completed/Ongoing. We have renewed and strengthened our contract with our principal maintenance contractor to ensure this is the case. We have a robust and consistent project management process for our construction activity using pre-qualified contractors and we closely monitor the quality of work.
13	Contractor Qualifications and Affiliations	COMMITMENT: We will ensure our contractors evidence their qualifications, affiliations to appropriate trade/industry bodies, and knowledge of best practice and industry standards.	PROGRESS TO DATE: Completed/Ongoing All project contractors are prequalified for technical competence and commercial integrity. Contractors and consultants generally hold relevant accreditation for quality management (ISO 9001), environmental (ISO 14001) and health & safety (OHSAS 18001). Contractors have additional registrations reflecting their size and areas of expertise such as Railway Industry Supplier Qualification Scheme, Construction Line, Safe Contractor and relevant trade bodies.
14	Contractors and the Tenants' Charter	COMMITMENT: We will share this Charter with all sub-contractors and sub-landlords and recommend they adhere to the same principles.	PROGRESS TO DATE: Completed/Ongoing. The Charter has been formally issued and explained to all our contractors and framework consultants with a requirement to support our stated aims and commitments.
15	Notice of inspections	COMMITMENT: Other than for emergency works, we will endeavour to give as much advance notice as possible, but a minimum of two weeks, for any works and The Arch Company inspections, that may impact your business operations. This will be in writing, by letter or email.	PROGRESS TO DATE: Completed/Ongoing. We have given at least two weeks' notice for any Network Rail access requirements.
16	Raising Maintenance Issues	COMMITMENT: Our Tenant Handbook will set out the process for raising maintenance issues.	PROGRESS TO DATE: Completed/Ongoing. This is set out in the Tenant Handbook on our website.

WORKING IN PARTNERSHIP WITH OUR CUSTOMERS

17	Rent Review and Lease Renewal	COMMITMENT: We want to provide spaces and a service that supports your businesses, whilst also achieving market rents through a clear and transparent rent review and lease renewal process. We will outline our rent review and lease renewal processes in our updated Handbook. In clear simple language, we will set out the steps of the negotiation process, outline the options available to customers and sign-post customers to advisory support available from a number of customer and SME business groups.	PROGRESS TO DATE: Completed/Ongoing. The rent review and lease renewal processes are set out in the Tenant Handbook . In consultation with customers and their representative groups, we are looking at further steps to make communications around rent reviews easier to understand.
18	Helping Long-standing Businesses	COMMITMENT: We know that some customers might have affordability issues. In these specific cases, we are committing to work with long-standing small businesses, including not-for-profits, on an individual basis to agree suitable rent profiles.	PROGRESS TO DATE: Completed/Ongoing. We have continued to act sensitively to changes in rental values by having an explicit policy that considers a longstanding small business customer's ability to pay when determining new rent levels. 24 concessionary deals have been agreed since we took on ownership of the estate and a further 28 are in progress or are being negotiated.
19	Helping Customers with Affordability Issues	COMMITMENT: We may, for example, introduce stepped rent increases, turnover leases or support arch relocation. These options will be included in the revised Handbook but specifically for customers who evidence affordability issues.	PROGRESS TO DATE: Completed/Ongoing. Options to address affordability concerns are set out in the Tenant Handbook published last year. The concessionary deals outlined above are in the form of stepped rental increases, thereby giving customers a discount on market rents.
20	Clearing the Rent Review Backlog	COMMITMENT: The inherited backlog of rent reviews will take time to work through, but we aim to have contacted all affected customers by the end of 2019, and to have cleared 80% of the backlog within twelve months, other than those cases which are in legal dispute.	PROGRESS TO DATE: Partially completed. 70% of the backlog – defined as rent reviews occurring up to the end of September 2019 just before the Tenants' Charter was published – has now been cleared. This is up from 60% last year. Some of the remaining 30% could not be progressed, partly because we gave customers the option of deferring their rent review discussion due to the pandemic.
21	Expediting Rent Reviews	COMMITMENT: We are in the process of recruiting several new team members to expedite the rent review process and we will keep customers updated on our progress. We are striving to have timely and efficient rent reviews and lease renewals going forward but this is dependent on clearing the inherited backlog.	PROGRESS TO DATE: Completed/Ongoing. The number of team members dealing with rent reviews has increased by a third this financial year (2021/22).
22	Contracted Out Lease Renewals	COMMITMENT: For lease renewals that are contracted out, we will indicate in writing whether we are able to grant a new lease six months before the due date and clearly set out next steps with you. We will endeavour to begin formal negotiations at least three months before your lease renewal date.	PROGRESS TO DATE: Partially completed. Customers with contracted-out lease renewals or rent reviews are alerted approximately six months before their lease event date. Negotiations begin an average of 82 days (circa three months) prior to the lease event.
23	Giving Notice of Rent Reviews	COMMITMENT: We will make contact six months before any rent review and aim to serve formal notices at least three months before the rent review due date.	PROGRESS TO DATE: Partially completed. The figures are reported above.
24	Reporting on Rent Reviews	COMMITMENT: In October 2020 we will review and report upon how we have performed against these commitments on rent review and lease renewal timing with an aim of increasing the level of certainty that we can give to customers at a point at least six months before the lease event.	PROGRESS TO DATE: Completed/Ongoing. These figures were reported in the Tenants' Charter one year on appendix .

25	Long Leases	COMMITMENT: For new customers and where leases are up for renewal, we will try to agree leases up to six years and, in some cases, may be able to extend further.	PROGRESS TO DATE: Completed/Ongoing. Around 70% of new leases signed in the past twelve months have been for six or more years in length. In the case of lease renewals, 63% are for six years or more. Customers have the option of having a shorter lease if this suits their circumstances, which has been the case for a number of our customers.
26	Fees	COMMITMENT: We will set out our estimated fees that will be payable by customers in writing, by letter or email, and in advance of any transaction.	PROGRESS TO DATE: Completed/Ongoing. This is part of the transaction process.
27	Rent Review Process	COMMITMENT: We will ensure that rent review notices are sent recorded delivery and we will set out the process in the revised Handbook.	PROGRESS TO DATE: Completed/Ongoing. This is part of the transaction process and is set out in the Tenant Handbook .
28	Family Succession	COMMITMENT: We are sympathetic to enabling family succession of businesses. If the family business succession requires a new lease to be granted to a new person who is not the customer under the existing tenancy, then it may be subject to headlease constraints. The headlease is the underlying lease between The Arch Company and Network Rail who still retain the freehold for the estate. We will evaluate individual circumstances on a case-by-case basis and consult Network Rail to seek to achieve appropriate positive outcomes in these circumstances. We will outline relevant headlease terms in the revised Handbook.	PROGRESS TO DATE: Completed/Ongoing. We do not record instances of family succession. The relevant headlease terms are in the Tenant Handbook .
29	Preserving a Community of Small Businesses	COMMITMENT: We are proud to be the UK's largest small business landlord and commit to preserving a community of diverse businesses in our portfolio.	PROGRESS TO DATE: Completed/Ongoing. We have demonstrated our commitment to preserve the community of diverse businesses, including through the support offered to the small independent businesses severely affected by the pandemic.
30	Reporting on Usage and Occupancy Levels	COMMITMENT: We will report annually on usage of the estate, including on levels of occupancy, numbers of customers and usage by different types of customers.	PROGRESS TO DATE: Completed/Ongoing. Occupancy and use classes are set out below. <ul style="list-style-type: none"> • Leisure – 398 • Retail – 456 • Office – 152 • Industrial – 1,069 • Storage & distribution – 809 • Vehicle repair & servicing – 302 • Residential – 67 • Network Rail leaseback – 71 • Car parking – 172 • Other – 261 Total – 3,757
31	Consulting on Report Format	COMMITMENT: The first report will be in 12 months' time. We will consult with customers, Guardians of the Arches and the Federation of Small Businesses (FSB) as to the exact format of the report.	PROGRESS TO DATE: Completed/Ongoing. We have shared copies of this report with the FSB and Guardians of the Arches.
32	RICS Service Charges in Commercial Property Professional Statement Compliance	COMMITMENT: We are committed to fairness and transparency in the management and administration of service charges and have set ourselves the goal of being fully compliant with the RICS Service Charges in Commercial Property Professional Statement by 2020.	PROGRESS TO DATE: Partially completed. We are making further progress with enhancing our underlying systems and operating processes to be able to improve the transparency of information related to service charges. We are progressing the backlog of service charge reconciliations.

33	Protecting Security of Tenure	COMMITMENT: Those existing customers of The Arch Company that have Security of Tenure will continue to be protected by the 1954 Act renewal rights, and we fully respect customers' existing rights. We will ensure that the following wording is included in correspondence relating to any transaction which would result in a tenant moving from a lease with security of tenure under the Landlord and Tenant Act 1954 to a lease without security of tenure; 'This transaction may affect the security of tenure of your occupation and we recommend that you seek professional advice.'	PROGRESS TO DATE: Completed/Ongoing. Correspondence relating to these transactions includes this wording as standard.
34	Transparency Around Arrears and Bailiff Action	COMMITMENT: We will have a clear process to proactively and constructively engage with customers if they are in payment arrears. Bailiff action will only be undertaken if this full process has not succeeded. The process will be outlined in our revised Handbook.	PROGRESS TO DATE: Completed/Ongoing. The pandemic meant that we adopted a new approach to working with customers in arrears. This is focused on direct engagement and working together to develop tailored support and payment plans to tackle rental arrears.
35	Tracking Credit Control Correspondence	COMMITMENT: We have put in place a new system to formally track all credit control correspondence with customers, providing an audit trail for all communication.	PROGRESS TO DATE: Completed/Ongoing. Our telephone system records all incoming and outgoing calls made through our credit control helpline. Our accounting database holds records of correspondence issued and calls made by the credit control team.

CREATING POSITIVE SOCIAL AND ECONOMIC IMPACT

36	Vacant Arches for Charities	COMMITMENT: Over the next twelve months we are committed to making some of our currently unused arches across the country available to charities, and community organisations.	PROGRESS TO DATE: Completed/Ongoing. We have continued to make unused arches available for charities and public sector organisations, including the FareShare foodbank and the London Ambulance Service. We also provided temporary event space to an LGBT+ community organisation in Vauxhall as part of Pride celebrations in September 2021.
37	Vacant Arches for Start-ups	COMMITMENT: We are also in discussions with various groups on how we can use some of our vacant arches to provide space for business start-ups.	PROGRESS TO DATE: Completed/Ongoing. Our partnership with Meanwhile Space in Loughborough Junction has led to twelve start-ups and social enterprises transitioning across to commercial tenancies.
38	Social Fund	COMMITMENT: We are setting up The Arch Company Social Fund to help support social and charitable initiatives that are important to you and your and local communities.	PROGRESS TO DATE: Completed/Ongoing. The Social Fund this year paid for match-funded grants to help customers put on events and initiatives for Arch Day, a celebration of the small businesses in the arches. The grant scheme was administered by community action charity Groundwork.
39	Charitable Donations	COMMITMENT: We will also match charitable donations for causes supported by our employees.	PROGRESS TO DATE: Completed/Ongoing. We match fund charitable donations for causes supported by our employees.
40	Networking Events	COMMITMENT: Within the next few months, we will roll-out a programme of networking events and business development training sessions to support the growth of a dynamic and well-connected business community across the arches. We will invite speakers from the many industries represented by our diverse customer mix.	PROGRESS TO DATE: Partially completed. As part of our efforts to support customers through the pandemic we helped to signpost them to financial and other business support that was available through local and central government. We also ran a pilot scheme with Enterprise Nation whereby new customers to The Arch Company could access advice and support to help them to grow their business. The pilot is coming to an end soon and we are reviewing our options as to how best to take this forward.
41	Environmental Sustainability	COMMITMENT: We will set up an environmental working group to establish best practice and improve environmental sustainability across the estate.	PROGRESS TO DATE: Completed/Ongoing. We have switched to a 100% renewable energy provider, introduced green clauses into our leases and invested in electric vehicles in London.
42	Directory of Tenant Businesses	COMMITMENT: We will produce a new National Directory of Tenant Businesses with the aim of developing a strong network amongst our diverse range of customers, The Arch Company and shareholder businesses. Participation will be at our customers' discretion.	PROGRESS TO DATE: Not started. We are exploring options as to how and where this information is best displayed.
43	Working with Local Authorities	COMMITMENT: We will keep local authorities updated on our activity, to see where we can work together to support local communities.	PROGRESS TO DATE: Completed/Ongoing. We have regular communication with key local authorities.
44	Website updates	COMMITMENT: More details on all of our Community Impact initiatives will be available on The Arch Company website.	PROGRESS TO DATE: Completed/Ongoing. Details are available at 'The Arch Company in your community' section of our website.



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OPERATING HOURS

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