

8 July 2022

## Briefing note for Southwark Council on the Printworks Reserved Matters Application

### Executive Summary

1. Printworks is a 'temporary' meanwhile space
2. The success of Printworks since 2017 has led to a review of the cultural provision at CW
3. BL are now considering whether a cultural offer can be retained in the Printworks building
4. Any decision on this future provision will require an acceptable design, operator and business plan. Constructive discussions with Broadwick Live as operator remain ongoing.
5. In the interim, approval of the current RMA would enable BL to progress with delivery of 174 affordable homes within Zone L (subject to RMA approval), the delivery of which is directly reliant on partial demolition works to the Printworks itself. This partial demolition cannot commence until a consent is in place for the future of the Printworks.
6. Approval of the Printworks RMA would allow BL to progress a number of active discussions that have already commenced to take office space in this highly sustainable and unique building - which will support the delivery of c.3000 jobs.

### Background

In 2016, British Land and Vibration Group entered into a partnership to operate the Printworks as a temporary 'meanwhile' events space, ahead of planning permission being granted for the Canada Water Masterplan.

The purpose of this was a cost mitigation exercise, as the financial outgoings of the empty building were nearly £1m annually, and the partnership was an attempt to secure short term income utilising the vacant industrial spaces for temporary uses such as filming, product launches and events. A temporary planning permission was secured to enable us to do this.

To ensure that this had no negative impact on the surrounding residential communities, a Joint Venture occupational licence agreement was formed between British Land and Vibration Group allowing all 'income producing' activities to be discussed and approved in advance. All uses also had to be short term in nature to allow for future redevelopment.

Later that year, Vibration Group introduced British Land to a music promotion company, Broadwick (the two companies subsequently merged into Broadwick Live), whose idea was to use the press halls for electronic dance music. Having carefully reviewed the operational proposals and discussed with Southwark planning and licensing officials, a trial event took place, which was very successful, and no adverse issues resulted.

These events went onto surpass all expectations, and as early as 2017, we looked at whether retaining Printworks alongside offices might be possible. It was found that the 30 year old building was understandably not built to accommodate thousands of people and major works were needed to secure its future. New standards of safety, fire engineering, acoustics and environmental performance meant that the economics and desirability of a new design solely for the narrow genre of electronic dance was just not possible.

However, Printworks was proving to be very popular, and the operation of the venue was impressive. This prompted us to look at whether a wider cultural offer might be possible and have a wider economic 'wash over' for the Masterplan. To explore the economics and feasibility of accommodating a broader cultural offer, considerable alterations were made to the building in 2018/19. This entailed clearing out one side of the press halls to allow for other more traditional live music acts and alternative cultural performances and events including dance, orchestras, business, and art events.

# CANADA WATER

The Covid 19 pandemic clearly put tremendous strain on most operators of cultural venues and Printworks was no exception. British Land supported them during this time but without any new events the design and modelling of any broader cultural element went on hold.

With the Planning Committee unanimously approving the Masterplan (which included the re-purposing of the Printworks as offices) and with the S106 concluded in May 2020, we were keen to press on with detailed designs. Agreeing exactly how the building could be extended and re-purposed for offices and to secure approval of Reserved Matters quickly became an important business objective. The approval of the Reserved Matters Application was submitted in September 2021 for the Printworks and for the 270 homes in the three buildings forming Zone L. Delivery for Zone L is physically linked to progressing with the Printworks.

However, should Southwark Council choose to grant consent, our intention is to work with Broadwick Live and Southwark Council to explore options with regard to retaining a cultural venue in part of the building, subject to design, funding, viability, deliverability and operational requirements being satisfied. This is going to take time to design and in the interim, securing consent for the live application for offices would allow us to continue active discussions with potential occupiers for the offices element, as well as unlocking the neighbouring Plot L and much needed affordable housing.

## Rationale for seeking approval of the current Reserved Matters Application for an all office scheme at the Printworks now

1. The Printworks already has outline planning permission to be converted into offices and this Reserved Matters Application deals with design and access issues only (rather than the use). It is essential that these issues are formally approved before we can move forward either with the all-office scheme or one that includes an element of culture within it. Demolition and strip out of the existing building (which will take a year) also cannot commence until a permission is granted. Bringing forward the 174 affordable housing units within Plots L is dependent on the Printworks obtaining approval and for this demolition commencing.
2. Securing permission for the current application will allow us to continue active discussions with potential office occupiers with greater certainty over delivery and occupation dates. By securing an early pre-let agreement the economics of incorporating a cultural element would be made considerably better.
3. Securing approval for all the current Reserved Matters Applications (the Printworks, Plots L and Plot F) will enable British Land's and AustralianSuper's quarterly valuations and projections to support commencing partial demolition/stripe out of the Printworks next spring. The present uncertainty is a real concern to both parties. Permission for all plots will also support the underwriting of the further considerable design costs needed to explore in detail, and hopefully agree with the Southwark planning team, the cultural option.
4. To help underwrite whether the Printworks will be attractive to wider cultural uses, this autumn's season of events is required as there was no season during Covid. Without this hard evidence and then using a 'wash over' of value (additional spending in retail and food and beverage in particular) within the wider Masterplan, the economics of a cultural element would be harder to justify for British Land and AustralianSuper. Both organisations obviously have clear fiduciary duties to their shareholders and pensioners.
5. To assess the viability of a cultural element in the Printworks, we would need to transfer the 'foregone' office amount from the building into the adjacent Building H3. This would only be possible if the cultural option were taken forward (this zonal redistribution is already permitted within our Masterplan planning approval.)
6. Securing the design, specification, environmental performance, and access agreements for a cultural option with the Southwark planning team is not a foregone conclusion, as too many restrictions on the venue could make it unviable. As such, all parties will need to work in a continued manner of positive collaboration.

We trust this briefing note helps explains why we would respectfully ask Members to favourably consider the Zone H application, and also clarifies the JV position on a future cultural offer at the Printworks.

British Land / Australian Super