The New Bermondsey Development

What is the New Bermondsey Development?

New Bermondsey (formerly Surrey Canal Triangle) is the brand name of a large site of approximately 30 acres in South London which is in desperate need of regeneration. It offers an opportunity to bring about substantial community benefits including new housing. Millwall Football Club’s (MFC) stadium, The New Den, sits within the site and MFC and its community scheme, the Millwall Community Trust (MCT), are the leaseholders of most of the land around the stadium.

Why does Lewisham Council wish to use a compulsory purchase order (CPO) to seize the Millwall land?

The property developer Renewal has acquired, we are told, 50%-60% of the total New Bermondsey development site. Lewisham Council – or at least its Mayor and Cabinet – has decided that only Renewal can undertake the New Bermondsey development and wishes to sell the freeholds of the remaining land to Renewal. The Council, which is Millwall’s landlord, owns most of the freeholds that are subject to the proposed CPO and has been seeking to remove certain tenants, mainly local businesses, in order to free the land for Renewal to develop. Since the tenants have not agreed to relinquish their leases, the Council decided to resort to using a CPO to take back the land on behalf of Renewal.

Which land has Lewisham Council threatened to take back?

- The land around the stadium which is leased from Lewisham Council to MFC for another 91 years and is currently used mainly for car parking.
- MCT’s premises (The Lions Centre) next door to the stadium which is also leased from the Council.
- The Millwall Café (an independent business which is separate from MFC) and Zampa Fish (a significant fish wholesaler).
- The premises of local residents and other local businesses.

The proposed CPO land makes up a significant proportion of the New Bermondsey site excluding the stadium which is not subject to the CPO. Lewisham Council owns the freeholds of much of the land around the stadium.
**Millwall Football Club**

**Does Millwall Football Club support regeneration in South London?**

Millwall welcomes regeneration in South London and was an early fan of the New Bermondsey scheme. MFC assisted with the planning application as well as the S106 agreement (which sets out the key community benefits required as part of the scheme) bringing in its own advisors at its own substantial expense in order to expedite the initial stages.

**Why has Millwall opposed the plans of the Council and Renewal for New Bermondsey?**

Millwall had always understood that it would participate in this development and the Club was astonished when, contrary to all previous discussions, Lewisham Council informed MFC in early 2013 that it intended to work exclusively with Renewal for the development of the entire site.

**Why does Millwall want to play a role in the development of the land around the stadium?**

This development would offer Millwall Football Club an opportunity to create a legacy to future-proof the Club and safeguard its financial standing in the long term. In spite of being well run, Millwall loses money every year in common with most football clubs. The New Bermondsey project would give MFC non-football income that is not dependent on its performance on the field. Not only will the Club and its fans benefit from this, but the community will too.

**Will the financial rewards of a development in which MFC participates be retained by the football club?**

Millwall’s owners offered from the outset to share profits with Lewisham Council if the Club is permitted to develop the land around the stadium. All financial gains made by MFC in the New Bermondsey project will be retained by the Club and will therefore remain for the benefit of MFC and MCT.

In an article published by South London Press on 31 January 2017, John Berylson, Chairman of MFC, was quoted as saying: “But I will say now, as I have said many times, I will not take a penny out of the area when it’s done. I am not sure other developers could say that.”

**Why doesn’t Millwall partner with Renewal?**

In the early stages, Millwall helped and supported both the Council and Renewal until the Council decided that the Club would not be permitted to participate in the development.

Renewal publicly stated in 2016 that it was not prepared to work with Millwall and in court papers disclosed that this was a decision that it had taken as early as 2009, although it did not disclose this to Millwall and continued with discussions for several years. Renewal seems diametrically opposed to the idea of Millwall playing a role in developing the land around the stadium and, for reasons MFC does not understand, Lewisham Council has supported Renewal against the interests of MFC.

Nevertheless, Lewisham Council has made it clear that part of its core strategy should include Millwall and its stadium at the heart of the development plans and that the development should provide for the long term future of the football club and its community scheme. The actions and words of both the Council and Renewal do not seem consistent with such a strategy.
More recently, the chairman of the Surrey Canal Sports Foundation (SCSF), a charity established by Renewal with the objective of building a new public sports centre called Energize, has been outspoken on social media and has made derogatory remarks about MFC and its Chairman.

**What threat do the current development plans pose to Millwall Football Club?**

Our permission to operate the stadium on match days comes from other regulatory authorities whose requirements are stringent and quite rightly vary according to the nature of the match, the opposition, the day of the week and the day of match. Our primary concern is the safety of our fans and visitors, and if there is not adequate safe passage for large numbers of football supporters on foot around the stadium, we would not be permitted to play here. That is one of the many reasons why we need to be in control of the land around our stadium and why we need to play a part in this development to protect those permissions.

If the land around the stadium is seized by the Council and transferred to Renewal, there is nothing to restrict those freeholds from being sold on. At that point, Millwall Football Club would find itself marooned on an island stadium surrounded by development land over which it would have no control and which could be owned by potentially hostile or uncooperative developers.

The Council says it intends to build in safeguards to protect the stadium, but it has no detailed knowledge or expertise in the operation of football clubs and stadiums, especially on match days.

**Is it true that Millwall Football Club might move from Lewisham?**

Yes, the Club sees that it has no option but to consider this possibility. If we have no means of generating non-football income to secure the long term financial standing of the Club and we are surrounded by development land owned by developers, we will have to give serious consideration to relocating to a more favourable environment where the Club can flourish both commercially and operationally in the long term.

**What threat do the current development plans pose to Millwall’s Youth Academy?**

The current plans of Lewisham Council and Renewal do not take proper account of the requirements of Millwall’s Youth Academy and the rules and regulations laid down by football’s governing bodies including the English Football League (EFL) and the FA Premier League which control how academies may operate.

All academies must adhere to the rules set out by those governing bodies, a number of which are mandatory. Every three years, an independent regulator carries out an audit on these rules and their application by each club.

It is the Club’s opinion, following discussions with the EFL, that the proposal to move our Academy from the MCT’s Lions Centre to Energize, the new public sports facility, is unlikely to comply with the regulations. This would represent failure of a mandatory category 2 requirement.
The possibility that we may lose our Academy’s category 2 status is a serious threat to Millwall Football Club. The loss of that status would be detrimental to the youth of this area, notably in the boroughs of Lewisham and Southwark. For the Club, it would mean that our ability to attract the most talented young footballers, which it trains and nurtures and who, occasionally, go on to play at senior professional level would be seriously damaged and the future of the Academy would therefore be threatened. For the community, it would mean depriving young people of the opportunities and aspirations to become professional footballers - unique opportunities and aspirations which will not be replicated elsewhere in this area.

Why did Millwall Football Club not bid for its land?

Millwall was told in a letter from the Council of 29 January 2013 that the Council did not intend to sell the freeholds: “At this stage, the Council envisages retaining its freehold interest in respect of some of the land leased to the Club required for the Renewal scheme”

Millwall was given just 3 working days’ notice that Lewisham’s Mayor and Cabinet had changed their mind and would be considering the sale of the freeholds to Renewal in September 2013 (a decision which they took). Subsequently, the Club’s property advisors made it clear to the Council that Millwall wished to bid for its land but the Council declined to cooperate and proceeded swiftly to enter into a land sale agreement with Renewal in December 2013.

Why did Millwall Football Club not put in a planning application?

The Council made it clear that it did not want competing master plans for the entire site. Millwall acquiesced in a collaborative spirit but always expected to control the development of its land. It has never been MFC’s intention to compete in developing parts of the New Bermondsey site. We have always wished to cooperate. Over a period of almost 10 years, Millwall commissioned three different architects to prepare plans for the development of the land around the stadium.

The third of those plans (the Mackay Scheme) was presented to Lewisham Council in August 2013. Adhering to the Council’s request, Millwall instructed Mackay & Partners to produce a scheme consistent with the outline planning permission already obtained by Renewal. We wished to be complementary, not obstructive.

It is an exceptionally costly process to develop plans into the detailed stages required to submit a planning application. This would amount to a seven figure sum. Why would Millwall Football Club take that risk and incur such a huge cost when it is clear that the Club has no immediate or foreseeable control over the land around its stadium?

Millwall Community Trust

What is the Millwall Community Trust?

The Millwall Community Trust was setup by Millwall Football Club more than 30 years ago as an independent charity whose funding is largely derived from MFC and the world of football. It operates from the Lions Centre, next door to the stadium, where it has an indoor football pitch, offices and other facilities. Its work in the local community provides sports and fitness programmes, educational workshops, disability activities, soccer schools and much more.
An independent assessment of the MCT’s contribution to the area in 2015 calculated that the minimum annual value of the Trust’s community work was £7,156,449.50 in cost savings to society with the biggest impact on substance abuse, crime, education, health, behaviour and NEET status (young person Not in Education, Employment or Training). Therefore, for every £1 spent to deliver the Millwall Community Trust’s programmes during 2015, more than £7 was generated in cost savings.

**Is the Millwall Community Trust threatened?**

Yes, the MCT’s trustees consider that the proposed move from its own premises in the Lions Centre to part usage of Energize, the proposed new public sports centre, will impair its operational capabilities and seems likely to generate an increase in its costs that it may not be able to afford.

MFC is also deeply concerned that the MCT will not be able to rely on the SCSF (Surrey Canal Sports Foundation and the charity tasked with the responsibility to build Energize), whose chairman has made derogatory remarks about MFC and its Chairman online, to look after the Trust’s best interests at all times.

As its name suggests, the MCT carries the Millwall badge. The football club is committed to supporting community initiatives but those initiatives would be focused on the community in which the Club operates through community schemes with which it is directly linked. Currently, MFC and MCT work very closely together and the Club provides support, player involvement, match tickets, equipment and access to football funds which would not be applicable without the Millwall badge.

The Council and Renewal seem intent on breaking those links. If the Club were to move from the borough, either it would expect to take its community scheme with it or establish one in its new location.

**The Independent Inquiry into New Bermondsey**

**Does Millwall Football Club welcome the inquiry?**

Yes, we believe that all aspects of the proposed CPO should be independently investigated. Millwall Football Club is deeply concerned by the recent reports in the Guardian about the Surrey Canal Sports Foundation’s (SCSF) funding claims which have a direct bearing on the future of the proposed Energize sports centre.

In a statement issued by the Club in February 2017, we expressed legitimate concerns that the scope of the inquiry might not be wide enough and set out what we believe to be the key issues:

- Why did the Council decide to partner exclusively with Renewal in 2013?
- Why did the Council inform Millwall in writing in January 2013 that the freeholds around The Den would not be sold – and then quietly took the decision to sell them to Renewal in September of that year?
- Why were no alternative bids sought for that land?
- How can Lewisham prove that they received “best price” for the land disposed of by Lewisham to Renewal as required under Section 123 of the Local Authority Act 1972?
- Why did the council terminate discussions about new lease arrangements with the club in 2011 without explanation?
• Why is the Council so desperate not to disclose the price it has agreed for that land that it is prepared to go to court to try and keep the details secret?

• Why are important elements of the report prepared by PwC on Renewal also being kept under wraps and defended in court? Is the Council, and therefore the taxpayer, paying some or all of those legal costs?

• Why have the Council and Renewal persistently ignored the threat to the future of the Millwall Community Trust in their pursuit of the Lions Centre?

• What is the nature of the relationship between the Council and Renewal that the Council continues to work in exclusivity with Renewal on the New Bermondsey scheme even after Renewal has publicly declared that it will not work with Millwall Football Club?

• How can the Council state that Millwall will be at the heart of the new community while deciding to work in partnership with Renewal against the interests of the Football Club?

• How and why did the Council put itself in a position whereby it appeared to be forced to use compulsory purchase orders to acquire nearly half of the development site for Renewal?

What should be done to get this deprived area of London developed?

The Council must stop threatening the Club, Millwall Community Trust, residents and local businesses with a CPO. Instead, it should cooperate with them. MFC would happily work with a developer that is reasonable in order to play its part in the redevelopment of an area which desperately needs regeneration. This development should build on the work of Millwall’s community scheme while putting Bermondsey’s pre-existing sporting-hub, Millwall, at its heart. Lewisham Council has said that Millwall Football Club is at the heart of its regeneration strategy. It is time for it to demonstrate that it means it.