

# Regional focus: London

London's new mega neighbourhoods show that bigger is proving better when it comes to developing in the capital. **Lewis Berrill** reports



New neighbourhood: the Brent Cross Town development in north London will eventually comprise 6,700 homes as well as retail and workspaces

Just a stone's throw from Brent Cross Shopping Centre in north London, two towers loom over the site where - if everything goes to plan - a new neighbourhood boasting 6,700 homes, more than 50 retail and food and drink locations and workspace for more than 25,000 people will stand.

Right now, Brent Cross Town is largely a construction site, punctuated by plot 12 -

which when completed in autumn 2024 will consist of 120 affordable homes and a 170-apartment tower.

While developer Related Argent has already topped out the two main residential towers, much work lies ahead to complete the rest of the development amid difficult economic conditions.

Brent Cross Town is just one of many mega neighbourhoods springing up across London.

Other major developments under construction or in the planning process include British Land's 3,000-home scheme in Canada Water, Earls Court Development Company's 4,500-home scheme in west London, Countryside's 3,463-home project in Acton and Berkeley's 3,750 new homes in The Green Quarter, Ealing.

These developments, mixing large-scale housing schemes with asset types such as retail and office

space, will create jobs and deliver thousands of new homes, helping to ease the capital's crippling housing crisis.

However, many of these major schemes were conceived when construction costs were lower and the Bank of England base rate was nearer 1%, rather than the current 5.25%. As a result of the changing economic situation, developers and investors already committed to mega schemes are having to adjust



## Earls Court



Joint venture partners Transport for London and Delancey released their latest masterplans for their Earls Court scheme in February.

The JV will redevelop the 40-acre former Earls Court Exhibition Centre in west London, with plans for 4,500 new homes, targeting 35%

affordable across all tenures.

These will be set within a landscape-led development that aims to go beyond net zero and become a climate-positive neighbourhood.

Rob Heasman, chief executive of the Earls Court Development Company, says: "At Earls Court we have an unrivalled

opportunity to bring forward a redevelopment that will truly transform this part of London. Our vision is to bring the wonder back to Earls Court, with a project that delivers over 4,000 homes and 15,000 new jobs.

"We will open up the site of the former exhibition centre for the first time in 150 years with

a development that celebrates nature, creates a unique cultural ecosystem and showcases the opportunity for climate and clean innovation and skills."

He adds: "It will be an inspiring neighbourhood for all to experience and befitting of Earls Court's illustrious heritage."

A hybrid planning application is set to be submitted in summer 2024. The Earls Court Development Company is also preparing for the next stage of public consultation, which starts in November this year.

Heasman says: "In the meantime, we have been making good use of this vacant site through maximising our meanwhile spaces - including the incredible BBC Earth Experience, a portrait-focused Artist in Residence programme in partnership with the National Portrait Gallery, The Lost Estate immersive theatre shows and most recently introducing beach rugby and padel [tennis] to site.

"Permanent construction works are likely to start in early 2026."

at the same time. If that was all one use it would have to be done sequentially."

Devoy says there is a clear logic in this funding approach. "Different funding partners have different appetites for different asset classes," he says. "A real strength of larger developments is the ability to mix the asset class and bring forward more leisure or rental, for example, if there is more demand for it. It enhances your product and creates a safer investment at the same time."

In Stratford, east London, international developer Vastint is developing a 26-acre riverside neighbourhood called Sugar House Island. The project will create 1,200 new homes, with 40,000 sq ft of retail space and

624,000 sq ft of office space. The first three phases have been successfully delivered, with residential occupancy at 100% and commercial occupancy at 92%.

Michael Cronin, head of portfolio at Vastint, says the "long-term, knotty and complex" project, which began the land acquisition



Andrew Devoy  
Thomas & Adamson

**“A strength of larger developments is the ability to mix the asset classes**

process in 2010, has been a challenge due to the changing economic conditions.

The scheme continues to drive forward nonetheless. "The property market goes through cycles - cycles that need to be adjusted to and managed," says Cronin. "We are in the fortunate position where we are not reliant on external finance to bring this scheme forward; it's delivered through our own resources."

### Key to success

Cronin says flexibility has been key to Sugar House Island's success. "When we started delivery of the first residential block in 2018, we got halfway through delivery of the 161 units, which had been designed to be sold, when we

realised we had to take a second look at our plans to adjust to the changing situation. In the end, we took the decision to retain them as BTR, and it has worked out very well."

A major benefit of large mixed-use developments is that they create desirable, ready-made communities, rather than concrete jungles. Sophie Rosier, head of London mixed-use at Savills, says such large-scale strategic developments allow factors such as energy, transport, green spaces, schools, medical facilities and community spaces to be considered at the very beginning of the process. She adds that this helps developers to "plan more effectively across larger areas" and deliver a range of residential