Land and Property Committee

Date: **1 October 2025**

Item: **Platinum Portfolio - Additional Sites**

This paper will be considered in public

1 Summary

1.1 This paper provides the Committee with an update on the Platinum Portfolio joint venture with Helical plc (Helical); it seeks Land Authority for the investment and disposal of Charterhouse Street to the joint venture to develop a high-quality office asset at the site. Unbudgeted Financial Authority is also sought for the equity investment and guarantee commitments. and to undertake feasibility studies of the following additional sites: White City; North Acton; Parsons Green Depot; and Griffith House (the Additional Sites) (the Transaction).

1.2 A paper is included on Part 2 of the agenda which contains supplementary information that is exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972 in that it contains information relating to the financial or business affairs of TfL. Any discussion of that exempt information must take place after the press and public have been excluded from the meeting.

2 Recommendations

2.1 **The Committee is asked to note the paper and the exempt supplementary information on Part 2 of the agenda and approve:**

(a) Land Authority for the amount set out in the paper on Part 2 of the agenda for the Transaction; and

(b) unbudgeted Financial Authority for the amount set out in the paper on Part 2 of the agenda.

3 Background

Investment Strategy

3.1 At its meeting on 16 July 2025, the Committee approved the Places for London Investment Strategy, which is based on the following objectives:

(a) grow the long-term value of the portfolio delivering a target shareholder return over a 10-year period;

(b) ensure commercially disciplined decisions through robust financial practices ensuring minimal financial risk back to TfL;

(c) deliver new homes across London in line with Mayoral and TfL objectives;

(d) actively support TfL's priorities: inclusive growth, transport improvements and benefits, net zero and climate resilience; and

(e) safety above all – get everyone home safe and healthy every day.

3.2 The Investment Strategy identifies Places for London's target portfolio of assets, comprising high-quality assets in priority, campus locations that are located near transport nodes with strong footfall, have significant scale and provide opportunity to curate place. The mixed-use campus is the target asset model for the Places for London business. Through campuses, Places for London will create vibrant, sustainable communities that enhance the transport network and provide long-term benefits for both the organisation and its customers.

3.3 In addition to the Investment Strategy, individual sector plans provide a prioritised approach to capital and resource allocation.

3.4 One target for the office sector is to deliver fit-for-purpose, best-in-class office accommodation in key office locations by developing new assets and optimising existing offices. The pipeline of best-in-class development opportunities in prime locations being delivered through the Platinum Portfolio joint venture with Helical forms a material part of Places for London's future office portfolio.

3.5 Other uses will also be considered for the Additional Sites, though it is anticipated that development of these other uses will be a minority of the overall activity undertaken by the Platinum Portfolio.

3.6 In respect of those other uses, a clear prioritisation of typologies will be set out in Places for London's Living Sector Plan, which is currently being drafted. The prioritisation will set out that only where traditional for sale, rent or affordable housing is not viable due to location or market conditions, or where alternative products would be best for the communities in the locations in which they will be delivered, Places for London will consider alternative models, including Purpose-Built Student Accommodation (PBSA).

3.7 Proposals for alternative models including PBSA will therefore be based on clear evidence of demand, viability and locational suitability, and where the alternative model is not at the expense of affordable housing delivery or more traditional forms of housing. Such an approach is in line with one of our core priorities to deliver housing and maximise the level of affordable housing, while recognising that, as the London Plan makes clear, alternate forms of housing delivery, particularly student accommodation, are critical to underpinning London's world class reputation for education and are also therefore essential to London and England's future economy and growth.

3.8 No decisions on living-sector uses in the Additional Sites will be made until after the Places for London's draft Living Sector Plan is endorsed by the Committee. The draft Living Sector Plan will be presented to the Committee in December 2025.

Platinum Portfolio Joint Venture

3.9 On 14 March 2023, the Committee approved unbudgeted Financial Authority and Land Authority to enable Places for London to form and invest in the Platinum Portfolio joint venture to create a growing long-term income stream from a portfolio of high-quality, commercial assets with best-in-class environmental and wellbeing credentials located near central London transport interchanges.

3.10 The joint venture known as Platinum was formed with Helical in July 2023. Places for London holds a 49 per cent equity share in the joint venture. Helical holds the remaining 51 per cent.

3.11 Helical was selected as Places for London's joint venture partner for Platinum following a competitive procurement. Helical is a central London development-focused real estate business listed on the London Stock Exchange. Helical's 40 year track record in real estate development includes the delivery of large-scale, mixed-use assets.

3.12 The initial development sites in the Platinum joint venture are 10 King William Street, Paddington Over Station Development (OSD) and Southwark OSD (the Seed Sites).

3.13 Good progress is being made on the Seed Sites. 10 King William Street and Paddington OSD are both in construction, with practical completion forecast for late 2026 and 2028 respectively. Southwark OSD is currently in planning with resolution to grant permission given by the local planning authority in March 2025 for a mixed-use development comprising PBSA and affordable housing.

3.14 The joint venture was formed with the intention that it would grow through the acquisition and development of additional sites beyond the Seed Sites.

3.15 At its meeting on 10 December 2024, the Committee approved Land Authority of £500,000 to invest in the joint venture, alongside Helical's matching investment, to assess the feasibility of the development of new commercial sites. These funds have been invested in assessing the feasibility of Charterhouse Street.

4 Charterhouse Street

4.1 The Charterhouse Street site is in the London Borough of Islington near Farringdon station. The site comprises a small office building and adjacent, underutilised TfL operational land. The entire site is owned by TfL and Places for London.

4.2 The outcome of the feasibility study, carried out by Helical in 2025, at Charterhouse Street is that an office led building of around 50,000 square feet net internal area is likely to be feasible at the location. The plan to pursue development of a best-in-class office building has been informed by pre-application discussions with the local planning authority.

4.3 The benefits of the proposed scheme to the local community include employment, skills and training opportunities, as well as townscape improvements to the street serving the Smithfield Meat Market building, which will become the new London Museum, opening in 2026.

4.4 London Underground's operational requirements affect the site. These include the existing Elizabeth line running tunnels and future rail-sidings beneath the proposed building, which have been assessed and remain safeguarded in the development proposal.

4.5 The Charterhouse Street proposals are co-ordinated with existing and future planned TfL operations on and near the site. Places for London has requested Mayor's Opinion that the site is surplus and may be sold for development. A response is expected shortly.

4.6 The Platinum Portfolio joint venture expects the proposed development to be commercially viable subject to planning permission and favourable economic conditions. An explanation of the commercial feasibility is included in the paper on Part 2 of the agenda.

4.7 The Platinum Portfolio joint venture is preparing to submit a planning application for the proposed development.

5 Transaction Overview

5.1 The objective of the Charterhouse Street transaction is to enable Places for London to receive the profit from central London office development in the joint venture, while receiving a land receipt and retaining the option to hold the developed asset following the development period.

5.2 Details of the Charterhouse Street land transaction are included in the paper on Part 2 of the agenda. An assessment of the Transaction will be undertaken by an experienced and independent firm of professional valuers. The Transaction will only proceed if this assessment confirms it as best value.

5.3 The Charterhouse Street development was included in the most recent Places for London Business Plan as an opportunity site. The four Additional Sites are expected to be included in the new Business Plan which is currently being drafted and subject to approval later this year.

5.4 The contractual arrangements for this transaction will largely follow the model created by the existing Platinum Portfolio joint venture agreements. A summary of the key contractual terms of the Platinum Portfolio joint venture is included in Appendix 1. It contains references to TTL Properties Limited which is the previous company name of Places for London Limited.

5.5 Modifications to the key contractual terms of the Platinum Portfolio joint venture will be required to document the necessary conditionality to the transaction and for the specifics of the Charterhouse Street site. Anticipated key documents include:

(a) a lease for the site with a term of 150 years that will be granted to Places for London and then assigned to the joint venture – this lease will contain standard infrastructure protection clauses;

(b) a property acquisition agreement that will enable the assignment of the lease from Places for London to the joint venture for the agreed sale price – the property acquisition agreement will be conditional on the grant of planning permission;

(c) a works agreement with London Underground Limited covering the terms under which the development will be carried out to protect operational infrastructure; and

(d) a development management agreement which will detail the development management services Helical will fulfil during development.

6 Financial Implications

6.1 Details of the financial implications of developing Charterhouse Street are provided in the paper on Part 2 of the agenda.

6.2 In addition to securing insurances, the works agreement will require the joint venture to put in place any mitigations required by London Underground Limited's (LUL) engineers and indemnify LUL against any damage caused or losses suffered by LUL. The paper on Part 2 of the agenda summarises the anticipated guarantees required to support this indemnity as well as guarantees that may need to be offered to third parties.

7 Risks

7.1 The table below summarises the key risks to the development scheme and their associated mitigations. The risks are proportionate with transport orientated development of this scale and complexity and at this stage of the development process.

Potential Risk	**Description and Proposed Mitigation**
Planning	To develop the scheme will require planning permission. There is a risk that the planning application will be rejected or there is a delay in a decision being reached. To mitigate this risk, there has been extensive engagement with the London Borough of Islington. The project will be designed to be policy-compliant, further mitigating the risk.
Operational Interface	There are complicated operational interfaces associated with this scheme. These constraints may lead to design and construction complexity that can increase costs. To mitigate this risk, TfL infrastructure protection will be involved throughout the project. The joint venture's design team have been presented with a comprehensive view of operational interfaces on site.
Viability	Due to its small size and complicated construction, there is viability risk associated with this project.

	This risk is mitigated by being in an office submarket which is desirable to investors and occupiers. This risk will be further mitigated by designing and constructing a scheme which maximises value by aligning to market demand and minimising cost.

8 Sustainability

8.1 Charterhouse Street is anticipated to be built to best-in-class standards including British Research Establishment Environmental Assessment Method Outstanding standard. Places for London's Sustainable Development Framework will be embedded throughout the project's design and construction.

8.2 During the Platinum Portfolio joint venture procurement, ambitious sustainability and skills and engagement targets were set. The Platinum Portfolio joint venture will commit to similarly ambitious targets for the Charterhouse Street, with regard to the constraints, scale and site-specific characteristics.

8.3 The development is anticipated to deliver employment, skills and training benefits, through both the construction phase and once the buildings are completed. Places for London and the Platinum Portfolio joint venture will continue to promote equality, diversity and inclusion for the widest possible social benefit.

9 The Additional Sites

(a) The Platinum Portfolio joint venture is also assessing the development potential of four additional sites. The current characteristics of each site are summarised below. property near White City station, located at the entrance to Imperial College's new White City Campus. It is also on the primary pedestrian route from White City station to the campus. Imperial College is interested in the proposed use of the site and the opportunity it may offer its new university campus and the local area;

(b) property near North Acton station. Like the White City site, this site is located adjacent to an important Imperial College Campus, known as the Old Oak Innovation Cluster. It is located within the Old Oak Park Royal Development Corporation opportunity area and its planning area. It is also well connected to Imperial College's White City Campus;

(c) property at Parsons Green depot. This existing commercial estate contains property occupied by several small and medium-size enterprises. The existing assets need significant investment and development plans for the site will retain some space suitable for small and medium-size enterprises; and

(d) property including Griffith House, located near Edgware Road station. Development of this existing TfL office building would remove the need for the extensive building refurbishment works and the associated cost. It would also provide TfL a capital receipt. Relocation of the existing accommodation for train crew operations from the building to a new train crew accommodation facility at this station would need to occur before any

redevelopment. The other office functions in the building would be accommodated elsewhere in the TfL office estate.

9.1 The developed uses of each of these sites will be established through the feasibility after assessing market demand and consultation with the local planning authorities. The anticipated developed uses are likely to include a significant quantum of commercial office space alongside other uses such as hotel, retail, leisure, PBSA, and private and affordable housing.

9.2 The proposal is to undertake joint feasibility studies with Helical in the Platinum Portfolio joint venture for each of these sites, similar to the one already undertaken for Charterhouse Street.

9.3 Introducing the sites to the Platinum Portfolio joint venture at the feasibility stage allows Places for London to share feasibility cost and creates a more time-efficient and cost-efficient route to assess and realise the potential of the sites.

9.4 The development of these sites by the Platinum Portfolio joint venture has the potential to fulfil several of Places for London Investment Strategy objectives, including the delivery of long-term value and potentially the construction of homes.

9.5 Places for London will report to the Committee on the outcome of each of these feasibility studies. Should the studies indicate a promising development opportunity, Places for London will return to the Committee for additional authority.

9.6 As with the Seed Sites, engagement with TfL colleagues, including those in TfL infrastructure protection, will be of the utmost importance to ensure the development proposals for the Additional Sites mitigate any risk to TfL operations. Engagement will continue throughout the design and construction of the projects.

9.7 The financial details associated with the feasibility studies for the Additional Sites are included in the paper on Part 2 of the agenda.

10 Assurance

10.1 Project Assurance and Independent Investment Programme Advisory Group Places for London sub-group (IIPAG-Places) have been briefed on proposals to progress with planning activities for Charterhouse Street and consider the Additional Sites for development via the Platinum Portfolio joint venture. In advance of any investment decisions IIPAG-Places will consider fit with the investment strategy, emerging sector plans and risks associated with individual sites.

List of appendices to this report:

Appendix 1: Restated Executive Summary of the Original Heads of Terms of the Platinum portfolio joint venture as included in the 9 March 2023 Chair's Action paper reported to the Committee.

A paper containing exempt supplementary information is included on Part 2 of the agenda.

List of Background Papers:

None

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