Land and Property Committee

Date: **10 December 2025**

Item: **Places for London Year-to-Date Performance Report**

This paper will be considered in public

1 Summary

1.1 This paper provides the Committee with an update on safety, health and wellbeing, operational performance, project delivery and the Places for London scorecard. It covers the 2025/26 financial year up to Period 7 (1 April to 11 October 2025). The full Places for London Scorecard 2025/26 results at the end of Period 7 are included at Appendix 1.

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 Recommendation

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

3 Safety, Health and Wellbeing

Safety Incidents

3.1 Since the last update, there have been two minor injuries and one high potential incident, bringing the total this financial year to nine minor injuries and eight high potential incidents.

3.2 In August, a tenant's staff member at 20 Cranbourn Street received a static electric shock while unplugging a laptop charger from a power bank. A safety inspection was conducted the following day, and an electrical engineer attended the site. Following an investigation, the Building Manager confirmed that no defects in the power bank and electrical socket were found. The tenant confirmed that a first aider attended and determined that no further medical attention was required.

3.3 In September 2025, a contractor visiting the Nine Elms Over Station Development tripped over a rope on the floor. Although the contractor resumed work immediately, they later reported knee tenderness and swelling and decided they needed to wear a knee-support brace. The contractor confirmed they are fit to continue working.

3.4 In September 2025, during piling operations at Paddington by Keltbray, contact by an excavator caused three cladding panels to dislodge. Two panels fell approximately 15 metres into the designated exclusion zone, while one remained dangling. No injuries or asset damage occurred. Work was stopped immediately, and the exclusion zone functioned effectively as a control measure. A Category D investigation had been completed by Keltbray and submitted to the TfL Safety, Health and Environment (SHE) Investigations team for review. The investigation found that site congestion was a key factor and recommended more effective spatial planning.

3.5 Year to date, 70 incidents (near misses, asset damage and injuries) have been reported. To date, nine minor injuries have been reported, of which seven occurred on property development sites and involved contractors.

Strategy and Culture

3.6 We continue to make strong progress against the actions and initiatives set out in our Places for London Safety, Health and Environment Improvement Plan, launched in May 2025. These efforts are aligned with our strategic objectives and reflect our commitment to continuous improvement across the business. Progress includes:

(a) we have reviewed the Planned General Inspection regime and realigned it to Property Management processes –-to enhance efficiency and eliminate duplication across existing business procedures. This updated approach ensures that actions raised are now more targeted, relevant to individual skill sets, and aligned with operational priorities. We are already seeing the benefit through a reduction in duplicated actions previously captured elsewhere;

(b) Key Performance Indicators (KPIs) and Wellbeing Metrics – we are enhancing our SHE performance measurement framework by incorporating wellbeing metrics into our KPIs. In addition, we are now benchmarking accident frequency rates against other comparative organisations in the development sector and across internal projects, helping us better understand our performance and identify areas for improvement;

(c) Environmental Compliance Group - we have established a dedicated group to assess our legal environmental obligations, identify gaps, and define the actions required to ensure compliance. This proactive approach supports our broader sustainability and governance goals;

(d) Health and Wellbeing Checks - in response to feedback from our SHE Culture Assessment, we introduced monthly health and wellbeing checks starting in September. These checks have been extremely well received, with strong attendance and positive feedback; and

(e) Listening and Taking Action - the introduction of health and wellbeing checks is a clear demonstration of how we are actively responding to colleague feedback and translating it into meaningful support. This commitment will be further reinforced through our second SHE Culture Assessment, which launched on 3 November 2025, which will help us

evaluate progress, identify new opportunities, and continue shaping a healthier, safer, and more supportive working environment.

Tenant-Managed Compliance Risk Rating

3.7 At the end of Period 7, 2.31 per cent of our units have received a risk rating of 'Severe' or 'High', well within our scorecard target of five per cent.

3.8 In the financial year to date, we have issued seven Severe Warning Notices, six of which have since been closed. We are working with the tenant to resolve the remaining open notice – and here the severe risk has been addressed with the remaining items relating to compliance documentation still outstanding.

Expanding our Enforcement Scope

3.9 In September, the Compliance team broadened its enforcement remit to include assets governed under the Pressure Systems Safety Regulations 2000 – these cover pressures systems that contain steam, compressed gasses and liquids under pressure that become gases when released. Equipment includes, boilers, air compressors and gas storage cylinders.

3.10 This strategic expansion marks a significant step in strengthening our oversight and ensuring regulatory alignment across a wider range of operational areas. Further subject areas are scheduled to be incorporated in the coming months, including those covered by the Dangerous Substances and Explosive Atmospheres Regulations 2002, reinforcing our commitment to proactive risk management and comprehensive compliance coverage.

4 Operational Performance Update

Arrears

4.1 Places for London has a structured approach to rent collection that prioritises early engagement and support for customers experiencing difficulty. Payments are monitored closely, with reminders issued promptly and opportunities offered to discuss solutions before escalation. Where arrears remain unresolved and no engagement is made, formal recovery routes are taken in accordance with policy and procedure. This ensures arrears are managed responsibly while maintaining fairness to customers.

4.2 After the September 2025 quarter rent collection dates, outstanding rent arrears increased because quarterly and monthly payments were due just before the end of Period 7. At that point, arrears stood at £4.5m, which is 6.6 per cent of the total rent due, compared to our target of five per cent.

4.3 Since then, arrears have improved and reduced to £3.6m (or 5.2 per cent of rent due) as of 28 October 2025, as set out in Table 1 below. We expect to be below the five per cent target by the Period 8 reporting date.

Table 1: Arrears

Arrears	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Period 7
	26 April	**24 May**	**21 June**	**19 July**	**16 August**	**13 September**	**11 October**
Total	£4.1m	£3.3m	£3.3m	£3.4m	£2.4m	£3.7m	£4.5m
% of Rent Roll	5.9%	4.7%	4.7%	4.9%	3.4%	5.4%	6.6%
Target	5%	5%	5%	5%	5%	5%	5%

Collections

4.4 Collections have remained strong over the last four quarters, with all quarters continuing to increase. A new September quarter started well with 82.9 per cent recovered at Period 7 against the target of 95 per cent by quarter end. A breakdown of the last four quarters is contained in Table 2 below.

Table 2: Quarterly Collection Rate – Actual vs Target

Quarters	Actual	Target
September 2025 Quarter (29 September - 24 December) *Collection rate as of end of Period 7	82.9%	95%
June 2025 Quarter (24 June - 28 September)	94.9%	95%
March 2025 Quarter (25 March - 23 June)	97.0%	95%
December 2024 Quarter (25 December - 24 March)	99.1%	95%

Collection rates improve as rent arrears are resolved and can be higher than previously reported.

Vacant Premises

4.5 The Morgan Stanley Capital International (MSCI) All-Property index compares vacancy rates from across the UK, based on estimated rental values of void units as a proportion of the whole portfolio. At the end of Period 7, Places for London had a void rate of 7.3 per cent of its portfolio by value, 4.1 per cent below the MSCI (market average) of 11.4 per cent.

4.6 When considering active projects/asset management initiatives, however, our void rate is 11.5 per cent (MSCI specifically excludes projects). Table 3 below sets out the percentage of voids by portfolio value, from April 2024 to September 2025.

Table 3: Percentage Void by Portfolio Value (April 2024 to September 2025)

	2024	2025						
Category	**Period 1**	**Period 1**	**Period 2**	**Period 3**	**Period 4**	**Period 5**	**Period 6**	**Period 7**
	28 April	**26 April**	**24 May**	**21 June**	**19 July**	**16 August**	**13 September**	**11 October**
Places for London Void and Projects (includes units undergoing minor works and refurbishment)	11.1%	11.0%	11.3%	11.0%	11.8%	11.9%	11.6%	11.5%
Places for London Void	6.9%	6.8%	7.8%	7.5%	8.0%	7.9%	7.6%	7.3%
MSCI All-Property	12.1%	12.0%	11.8%	12.2%	11.7%	11.4%	11.7%	11.4%

4.7 MSCI also provides an asset class breakdown which can be seen in Table 4 below.

Table 4: Places for London Void Period 7 performance compared to the latest MSCI London Benchmark (September 2025)

Sector	Places for London Voids(%)	MSCI London Quarterly Property Index Vacancy Rate (%)
Arches*	6.0	9.2
Industrial	9.8	11.2
Office	0.4	15.6
Retail	12.0	9.2
	7.3	**11.4**

Long-Term Vacancy Plan

4.8 The Asset Management team is addressing its vacant portfolio through a capital investment programme to enhance capital values and income streams, as well as through a programme of works for premises with high opportunity costs – this is set out in Table 5 below. In total:

(a) 180 units are in the pipeline for refurbishment (capital projects) with an estimated annual rental value of £3m;

(b) 39 units require some minor works and have an estimated rental value of £0.8m; and

(c) 164 units are either on the market or under offer with an estimated rental value of £4.8m.

Table 5: Number of Vacant Units by Estimated Rental Value

Estimated Rental Value					
Type	**£50k+**	**£25-£49k**	**Under £25k**	**Unknown**	**Total**
Minor Works	4	3	29	3	39
Capital Project	13	21	72	74	180
Marketing	11	11	35	28	85
Under Offer	19	19	37	4	79
Development Site	0	2	0	21	23
Uneconomical	4	8	39	22	73
Transferring Out	0	0	0	13	13
Pending Assessment	15	14	161	50	240
Total	**66**	**78**	**373**	**215**	**732**

5 Homes Delivery

5.1 To date, we have achieved a total of 4,953 starts on site against a scorecard target of 4,619. Of these 1,644 have reached practical completion against a scorecard target of 1,742, with 56 per cent of those completions being affordable.

5.2 This financial year, we have completed 190 homes on sites at Fenwick (46 homes, 100 per cent affordable) and Wembley Park Phase E (144 homes, 40 per cent affordable). Barkingside (98 homes, 100 per cent affordable) is forecast to be complete early in 2026. Little Chalfont started on site in September (540 units made up of 380 homes including 40 per cent affordable, a retirement village with 100 units and a 60 room care home).

5.3 The Business Plan sets out that we expect to deliver over 20,000 homes, key initial schemes include Bollo Lane, High Barnet, Cockfosters and Woolwich. With 1,644 homes completed, our Business Plan base plan consists of known schemes which will deliver a further 16,174 homes, delivered through a mixture of land disposals and development joint ventures.

5.4 We have identified a further pipeline with a potential of around 4,000 homes across TfL and Places for London landholdings, which are largely dependent on market conditions and development partner appetite to bring forward.

5.5 There are some positive tailwinds on Policy for Housing Delivery, however the economics of housing building remain challenging, and risk remains for many schemes on delivery pace.

6 Delivery Milestones

6.1 We have achieved 10 of our 15 Delivery milestones and are on track to achieve 13 by year end. The full list of Delivery milestones is included at Appendix 2.

6.2 The new temporary market at Seven Sisters officially opened on 4 October 2025, providing traders with a new home after the indoor market closed in 2020. Forty new units have been fitted out to traders' specifications, complemented by an outdoor seating area. While the milestone at Seven Sisters was missed, this opening represents a significant step forward for Places for London, the local community and traders.

6.3 At Bollo Lane, we have now been waiting for over 46 weeks for Gateway 2 approval from the Building Safety Regulator. This delay has impacted subsequent milestones, pushing our start on site (main works) to March 2026. This milestone was previously forecast for October 2025.

7 Sustainability and Inclusivity

7.1 We continue to make good progress towards delivery of our Sustainability and Inclusivity Strategy through a twin track approach of delivering increasing value and impact through our current projects and programmes, at the same time as continuing to mature our frameworks and roadmaps that are the essential foundations to our long-term success.

7.2 The Sustainability and Inclusivity Scorecard milestones captures many of our current priorities. At the end of Period 7, we have achieved four milestones, a further four are on track and making good progress, and two are at risk of delay with intensive management to secure the desired outcomes and timescales. The full list of Sustainability and Inclusivity milestones is included at Appendix 3. Latest headlines include the following:

(a) Global Real Estate Sustainability Benchmark (recently achieved) – on 10 October, our benchmark rating for new developments was confirmed. We have retained our 5* rating and improved our score to 99.36 per cent;

(b) Sustainable Drainage Systems (recently achieved) – this milestone has been exceeded with delivery of 2,300sqm of sustainable drainage systems catchment in our development at Barkingside. This will support effective local drainage to reduce flood risk, with the inclusion of permeable paving (1,213sqm), green roof (1,050sqm) and rain garden (37sqm);

(c) Net Zero Carbon Demonstrators (at risk) – we are refitting four properties with best practice and innovative approaches to better understand how to achieve the new Net Zero Carbon Building Standard throughout the estate over the long-term. The milestone for completion by 31 March 2026 is currently at risk of delay. We are doing all we can to limit the delay and strive to meet the milestone deadline. We have escalated management and sponsorship of the project to help resolve outstanding complexities in this innovative design and delivery, including reliance on related works at two of the properties. In our overall approach to net zero carbon, we are updating our roadmap ready for its annual publication by calendar year-end. This provides a summary of our latest progress and plans;

(d) Skills programme (at risk) – the Skills for Construction part of this milestone is on track with the London Skills Academy campaign launched on 13 October. This milestone is reporting Amber because we are also working to establish a new Skills for Business programme, for which we have so far found a lack of uptake. We are addressing the risk by exploring alternative options to engage more businesses and use different approaches to gain more traction, including raising this opportunity at our customer conference in November 2025;

(e) Sustainable Estate Framework – we have recently developed Version 1.0 of our new framework. This is helping us to extend the success of our Sustainable Development Framework, used in all our new developments, to our management of existing properties. We are currently testing and refining this framework ready to deploy and mature it through next year; and

(f) Social Value – on 18 November we supported an event hosted by BusinessLDN (a non-profit membership organisation, representing leading businesses in London) to showcase our approach and support ongoing collaboration and leadership to support ongoing maturity and impact on social value in the built environment sector. We shared details of our latest progress in developing a Strategic Impact Framework to improve the measurement and valuation of our wider impact to help inform our communications and decision making.

8 Scorecard 2025/26

Safety and Risk

8.1 There were no people killed or seriously injured on the Places for London estate, and tenant compliance sits at 2.3 per cent as at Period 7, well below our five per cent target. Further detail is included above in the Safety and Risk update.

Colleague Representation

8.2 All four of our colleague representation figures remain above target.

People Milestones

8.3 Since the last update, we have completed three out of five people milestones. On 15 September, senior leadership reviewed the Action on Inclusion plan, which brings together recommendations from the Culture Review, Inclusion work, and Viewpoint programme. On 25 September 2025, we launched the Places for Learning site and introduced the Employee Value Proposition internally. Work is ongoing to update the website, hiring toolkit, and induction programme, along with collecting colleague stories to highlight lived experiences. The full list of People milestones is included at Appendix 4.

Homes

8.4 As at Period 7, we are on track to achieve our homes targets.

Delivery Milestones

8.5 We are forecasting to achieve 13 of our 15 Delivery milestones by the end of the year of which we will be requesting a concession on Bollo Lane – Main Works to Start milestone due to approval delays by the Building Safety Regulator. Further detail is included at section 6 above.

Finance

8.6 We are on track to meet all our financial metrics.

Sustainability and Inclusivity Milestones

8.7 We are working to achieve all 10 of our Sustainability and Inclusion milestones for this financial year. Further detail is included at section 7 above.

9 Market Context

London Residential Market

9.1 London house prices fell slightly in Quarter (Q) 3 2025, dropping 0.9 per cent over the period compared with 0.6 per cent increase in Q2 2025 (Reported by Nationwide). Surveyors reported falling buyer enquiries and new instructions in September, pointing to a slower market in the coming months. This is likely a result of buyers holding off while they wait for the outcome of the Budget in November. The slowdown in activity is also being seen in the new build market, with sales continuing to fall in Q3 2025.

9.2 The rental market in London continues to accelerate, with 0.9 per cent growth in Q3 2025. New instructions have fallen for the last three months however, surveyors reported a fall in new tenant enquires in September for the first time since April. Affordability remains stretched in the capital, which is likely to act as a drag on rental growth despite the supply and demand mismatch.

9.3 Private for sale development in London continues to face significant challenges, with weak demand from both domestic and international buyers. Across that capital only 713 new homes started construction in Q3 2025 – the lowest level recorded. The low level of new development is expected to continue over the near term as developers face weak demand coupled with high build costs, labour availability and building safety delays impact viability.

9.4 Build to Rent is facing a similar slowdown in construction activity, with only 89 units starting construction in Q3 2025, compared a quarterly average of around 1,700 during 2021-2023. Despite rents growing, the development landscape has made it more challenging to bring forward new schemes.

9.5 A further complication for new development in London is the impact of Gateway sign-off process for high rise development (any scheme over seven storeys). As for October 2025, there are currently 66 schemes awaiting sign-off in London. The Building Safety Regulator has implemented measures to speed up process, having admitted the old system had been hampered by technical bottlenecks.

London Commercial Market

9.6 Investment activity dropped in Q3 2025 following a first half of the year. The fall is partly due to the seasonal summer slowdown as well as reflecting the persistent macroeconomic uncertainty. The uncertainty is evident in the easing in growth in retail sales, which rose by 0.9 per cent year-on-year to Q3 2025 compared with 1.5 per cent in Q2. However, there has been a marginal improvement in consumer sentiment in October, which could point to a recovery in spending to year end.

9.7 Central London office leasing slowed in Q3 after a strong Q2 and was 28 per cent below the 10-year long-term average for Q3. Occupiers continue to take space in buildings with the best sustainability credentials. Vacancy rates fell in the city over the quarter but rose in the West End. The uptick in the West End was driven by a rise in the amount of secondary space on the market, rather than new delivery.

Opportunities and Risks

9.8 The opportunities for Places for London in the current market include:

(a) the lower-than-expected inflation readout in September 2025 could bring forward the next interest rate cut from the Bank of England, which should feed through to lower mortgage rates and improving affordability for homebuyers;

(b) the Greater London Authority and the Ministry for Housing Communities and Local Government recently announced consultation on a package of measures to unlock new housing delivery in the capital, which could help to counter some of the wider development challenges. Work is underway to understand the potential impacts of these interventions on the Places for London portfolio and opportunities this creates to enhance delivery;

(c) on 7 November 2025, the Greater London Authority and Homes England both launched their respective Affordable Homes Prospectus for affordable housing grant funding within and outside London. Places for London has begun work to understand the opportunities and impacts this presents for the business;

(d) continued strong real wage growth in London, running at 1.9 per cent in the 12 months to August 2025, could support retail and leisure spending in the capital, alongside underpinning residential rental growth moving forward;

(e) stronger economic growth forecast for London in 2025 and 2026 compared with the UK will support demand for commercial and residential space; and

(f) Buy to Let landlords continue to exit the rental market. This will further reduce rental supply, supporting the need and demand for Build to Rent.

9.9 The risks for Places for London in the current market include:

(a) uncertainty around what would be announced in the Budget in November weighed on potential home buyers.

(b) higher than expected inflation, coupled with ongoing global economic uncertainty, could lead to slower pace of interest rate cuts by the Bank of England, which would mean mortgage rates stay higher for longer and act as a brake on sales demand;

(c) tender price inflation is forecast to continue to rise, which is likely to weight on viability of new developments;

(d) rental affordability is slowing the rate of growth, which could impact the viability of some Build to Rent developments when coupled with higher build costs;

(e) slowing retail sales, combined with higher inflation and costs, could impact retailers within Places for London's portfolio; and

(f) increase business costs and fit-out costs will likely lead to higher lease renewals in 2025, slightly restricting new leasing activity.

List of appendices to this report:

Appendix 1: Places for London Scorecard 2025/26 – Period 7

Appendix 2: Places for London Delivery Scorecard Milestones – Period 7

Appendix 3: Places for London Sustainability and Inclusivity Scorecard Milestones – Period 7

Appendix 4: Places for London People Scorecard Milestones – Period 7

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

List of Background Papers:

None

Contact Officer: Graeme Craig, Director and Chief Executive, Places for London
Email: GraemeCraig@tfl.gov.uk