

Transport for London selects Helical as preferred commercial office portfolio joint venture partner

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Transport for London (TfL)'s wholly owned commercial property company, TTL Properties Ltd (TTLP), says it has selected Helical as its preferred investment partner for its sustainable commercial office portfolio across central London, subject to contract negotiations and a 10-day standstill period.

Helical was selected as the preferred investment partner after a competitive procurement process involving a group of central London's most accomplished office developers and investors. TTLP, advised by JLL and Herbert Smith Freehills LLP, assessed the potential partners' sustainability strategies, partnering approach, and investment proposals for its development sites at Bank, Paddington and Southwark.

The partnership will see the delivery of new high-quality and sustainable office space above or close to Tube stations, which currently consist of three new commercial office developments at Bank, Paddington and Southwark. All three sites have full planning permission to deliver sustainable commercial office developments that provide exceptional workplaces and positively impact the local community.

- Bank Over-Station Development – located above the new station entrance on Cannon Street, this eight-storey development, along with a basement, will include both office and retail space, measuring around 140,000 sq. ft. Net Internal Area (NIA), external terraces on fifth, sixth and seventh floors and a green roof. A start on site is envisaged next year.
- Paddington Over-Station Development – located by Grand Union Canal and close to the new Elizabeth line station at Paddington, this 19-storey building currently has permission to deliver new office and retail space measuring around 235,000 sq. ft. NIA. It will include a canal side reception and use a ground and air source heat pump system. A start on site is anticipated in 2026.
- Southwark Over-Station Development – located above Southwark Tube station on the Jubilee line, this 17-storey hybrid timber building is set to be one of the greenest and healthiest large-scale commercial buildings in the UK. Measuring around 220,000 sq. ft. NIA, it will provide a mixture of commercial office space and retail space and has external terraces on most floors. It is expected that construction would start in 2025.

The joint venture company will purchase leasehold interests in the sites from TfL and establish individual property companies for each of the sites. The sites will then be developed directly by the company, which is to be funded with equity and debt. Other properties and development opportunities may in the future be acquired by the joint venture, expanding the partnership's portfolio, subject to feasibility and assessment.

The buildings will be constructed on the basis of Net Zero Carbon and the joint venture will collaborate with tenants to target a rating of BREEAM Outstanding and Platinum WELL v2 Core.

The sites will also fully incorporate a focus on active travel options for occupants, with the three sites providing almost 900 cycle spaces collectively. Combined with their close proximity to the public transport network, these new developments will encourage those who occupy the buildings in the future to travel sustainably.

Scott Anderson, Head of Property Development at TTL Properties Ltd, said: "We're delighted to have selected Helical as our preferred investment partner as we take forward our commercial office portfolio and create best in class commercial office workspaces that reflects our confidence in London and will positively impact the capital and its green recovery.

"This new joint venture complements our wider commercial development programme, which will see us deliver thousands of new and affordable homes in London, develop our estate to support small businesses and train the next generation entering the construction industry. This partnership will also help deliver operational benefits and generate vital additional revenue, which can be reinvested into the transport network and help fund a safe, green and reliable public transport network."

Matthew Bonning-Snook, Property Director at Helical, commented: "This is a hugely exciting opportunity for us to partner with one of London's largest landowners to deliver three superbly located schemes, with an ambition to bring forward additional schemes within this long-term joint venture. The intention is to deliver c. 600,000 sq ft of much needed sustainable, best-in-class office space incorporating smart technology, high quality amenities with a focus on occupier wellbeing and adopting modern methods of construction in their delivery."

This partnership forms part of TfL's wider development activity that is being taken forward through its wholly owned commercial property company, TTLP, which, alongside new commercial office developments, will see thousands of high-quality new homes – including affordable housing – built on its land across the capital. TTLP currently has more than 2,000 homes completed or with work started on site, a total set that is set to double in the next two months as work begins on more TTLP sites.

Photo credit: TfL/ Grimshaw Architects