

Patchworks, Walthamstow

Patchworks in Walthamstow is a prime example of our asset management skill set in practice, demonstrating how this area of the business delivers value to both the scheme investors and the Group.

It is the most progressed scheme within our asset management division, with planning consent delivered, land sale achieved and construction of the homes, through the Group's partnership contract division, underway.

Identifying attractive and viable sites

The success of our asset management division, as with every area of the Group, lies in our ability to find attractive and viable sites.

Patchworks lies in the London Borough of Waltham Forest, considered one of the most ambitious and pro-development Boroughs in London. The Borough has plans to deliver 18,000 new homes in the next decade, alongside a vision to regenerate their historic Town Hall campus, masterplans for Lea Bridge and Leyton and the provision of new sporting facilities, social infrastructure and green space.

Within this pro-development Borough lies the 4.38-acre site. A former Homebase store, the site is exceptionally well-located, approximately 0.8 miles from Walthamstow town centre and just 0.5 miles from Wood Street Station, with its regular overground service to Liverpool Street Station.

Our estimates placed the gross development value of Patchworks at approximately £265m.

We were delighted, therefore, to be successful in securing the land in January 2020 on behalf of the project investors.

Maximising the value of the land – achieving planning consent

Asset management investors benefit from our experience and expertise in navigating the planning system to achieve planning consent. With the land opportunity identified at Walthamstow and investors secured, we supported investors with the pre-planning matters relating to the site. This included liaising with Waltham Forest Council to resolve access issues and the owners of the Homebase store to obtain vacant possession.

In August 2020, we were ready to submit the planning application on behalf of the investors. The application sought approval for a residentially led development of 583 new homes, including 174 affordable homes.

Our plans, which had been developed in close consultation with the Borough, were approved in February 2021. This was efficiently followed by the signing of the Section 106 agreement in April 2021.



Patchworks,
Walthamstow

c. £20.0m

Net fees generated over life of the contract

Fees received as project milestones achieved

£131.3m

Partnership housing contracts awarded

London BTR and Newlon Housing Trust



Read more about [asset management](#) on pages 40-41



CASE STUDY:
ASSET MANAGEMENT

Maximising the value of land on receipt of consent – site disposal

On receipt of planning consent, we provide investors with access to the various site disposal options and facilitate this process to maximise returns on the project. As well as triggering fees for Inland, the disposal gives an opportunity to secure a construction contract for Inland Partnerships to build the homes, generating ongoing revenue and cash flow for the Group.

We were confident that there would be high levels of interest for the homes at Patchworks, given the site’s outstanding credentials, and were not disappointed, with interest from housing associations, Build to Rent operators and other housebuilders.

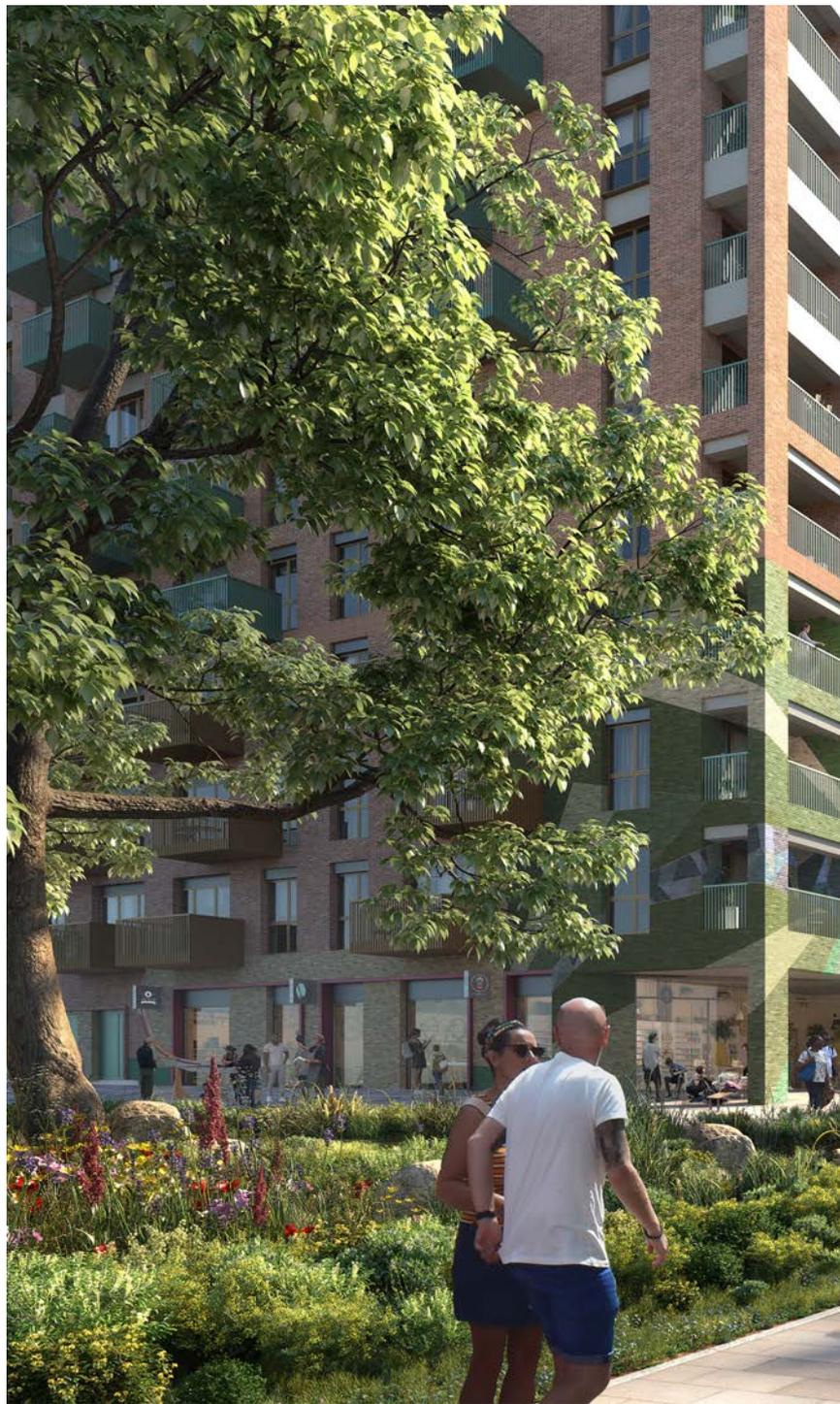
In June 2021, we were delighted for contracts to be exchanged with London BTR Investments (London BTR) for 355 plots within the site, with 173 of these completing in September 2021. We also secured the sale of the remaining 228 plots to leading housing association Newlon Housing Trust (Newlon) in September 2021 also, with 72 plots exchanged and completed simultaneously and the remainder to complete in early 2022. Combined, these land sales will achieve £50.1m for the project investors.

Importantly for Inland, both sales generated separate construction contracts, Inland Partnerships’ largest to date with London BTR at £88.9m. The contract with Newlon secured a further £42.4m to the Group’s partnership housing forward order book. These contracts will deliver ongoing revenue for the Group throughout construction, adding further value to the Group.

Inland Partnerships began construction of the homes at Patchworks in September 2021 and we anticipate the build will complete in 2025.

Our role as asset managers involves:

- Identifying and providing investors with the opportunity to procure a site
- Supporting the investor through pre-planning matters
- Preparing, submitting and achieving grant of planning
- Supporting the investor to realise maximum value on receipt of planning consent



TIMELINE OF ACTIVITY

2019



September
Site introduction

2020



January
Purchased

August
Planning submitted





Patchworks,
Walthamstow

2021



January
Vacant possession
achieved



February
Resolution to grant
planning granted



April
Section 106
signed



June
Exchanged contract for land
and build with London BTR



July
Demolition works
commenced



September
Land sale and build
contract with Newlon



September
Construction
underway