

# CAPITAL WATCH

THE LATEST ON LONDON REAL ESTATE

## The Well Work Place

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# Welcome

It has been an interesting year for the London property market; one of planning and positioning, and in spite of the developing political landscape, one with a degree of positivity. During the course of the next 12 months, we will achieve much greater clarity on both our new relationship with the EU, but also that with the wider world. Just as the Government will be called on to confirm its position, so we see next year as a year of action for both the business world and also for real estate.

In this issue we lead with the theme of wellbeing in the workplace; a subject which ties together issues of design, culture, talent retention and bottom line. We've hit this from a number of different perspectives, and provided a link to our associated research report. In our feature set we take a look at how tourism presents opportunities for real estate. We've also got interviews with Rob Tincknell of Battersea Power Station, and the team behind District Technologies.

As ever, drop me a line if you like to go into these subjects in more detail: [richard.pickering@cushwake.com](mailto:richard.pickering@cushwake.com)

It remains for me to wish you a Happy Christmas and on behalf of the Cushman & Wakefield team we hope you enjoy the festive season!

Richard



Richard Pickering  
Head of Futures Strategy,  
Editor of Capital Watch

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COVER STORY



# The Well Work Place

The nature of how we work has been changing at an accelerated rate over recent years. Frontier firms have been quick to recognise the important influence that the workplace has on their ability to execute new working practices. However, this is no longer the domain of a few big tech companies – the ‘well workplace’ is now a mainstream concern.

Consequently the workplace of the (not too distant) future may look radically different for some, as employers respond to a growing requirement for a work-health balance. The wellbeing industry already has a global footprint, but most corporates and property owners are still at the start of a journey to understand and interpret the implications for the built environment.

Most of us currently work in what are essentially ‘unwell’ offices. Workplaces that are not ‘well’ impair employee performance and promote

heightened absenteeism and loss of earnings. Mounting evidence all points in one direction: wellbeing in the workplace is fast becoming a strategic imperative.

So what is driving this change now? Technology has been identified as a culprit in eroding work-life boundaries. However, technology tends to be a facilitator rather than a driver. It in fact has a positive role to play in empowering employees to change the nature of their work contract. Employees will increasingly choose where they want to work

and how they want to work.

Technological progress has also created greater transparency and openness. It is allowing us to lay bare and quantify the relationship between ‘where we are’ and ‘how we are’. In doing so it allows us to redefine how we work and how we measure the output from our efforts. In turn it should also create new ways for us to determine the value added proposition of excellent real estate.

In the following pages, we explore the role of the well workplace in driving real estate value.



By Sophy Moffat,  
Associate Director,  
Research & Insight

## Happiness counts

Our wellbeing as a society is often measured through gross domestic product. As real GDP grows, so does our aggregate standard of living. However, there are deep flaws and nuances in this approximation, not least because it does not address social or environmental factors. Consequently, economists and national leaders are increasingly measuring the level of a country's success using new metrics, including proxies for happiness. A 2009 study on alternatives to GDP, commissioned by then French president Nicolas Sarkozy, provides challenges to our basic understanding of the importance of non-financial factors. This develops longer standing thinking, for instance the United Nations' Human Development Index and the Kingdom of Bhutan's insistence that it is out to maximize not GDP but GNH – "Gross National Happiness." More than a 'fad' this is becoming a more pervasive shift in how we categorise a successful economy – rue the industry that is not moving to address it.

## Misery matters

Most workers are unhappy. 76% of the global workforce report they are struggling with wellbeing, while research estimates the cost of work-related stress to be as high as US\$650 billion in Europe. Presenteeism – when workers are present in the office but functioning at sub-optimal levels – costs businesses US\$1,500 billion each year. Corporations are understandably striving to identify links between work environments and business performance. New data sets and ways of monitoring activity within the workplace expose the impact that the workplace has on staff wellbeing, retention and ultimately bottom line performance. The relationship between 'where we are' and 'how we are' is becoming clearer, and as it does, occupiers are increasingly willing to invest in real estate to enhance employee performance.

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## Retaining talent

Three quarters of CEOs globally see accessing and retaining skilled labour as the biggest threat to their businesses. Attracting talent is not easy, and losing it is expensive; anywhere from 50-200% of a lost employee's salary is spent on recruiting and on-boarding. Some banks are incurring up to US\$1 billion annually in costs associated with replacing employees. The 'well' workplace can be a valuable attraction and retention tool. A 2013 survey by mental health charity Mind found that 60% of staff were more likely to recommend their organisation as a good place to work if the employer took action to support wellbeing. Meanwhile global analysis shows that companies with satisfied, engaged workers have 25-65% lower employee turnover.



## The case for investment

An abundance of research demonstrates links between employee wellbeing and bottom line financial outcomes. Human happiness has been found to have large and positive causal effects on performance. Positive emotions appear to motivate, while negative emotions have the opposite effect. A study by PwC found cost-benefit ratios ranging from 2:3 to 1:10 – meaning for every US\$1 spent on promoting employee happiness, an organisation can expect to receive US\$10 in value back. Tim Munden, chief learning officer at Unilever, reinforces this. He estimates that Unilever recoups an estimated €6 for every €1 invested in wellbeing programmes across its European businesses.



## Well workplace

There are proven links between wellbeing, performance and the office:

- Background noise in offices can lead to performance drops of 66%.
- There is a 10% reduction in performance if offices are too hot or too cold.
- Levels of cortisol, a stress indicator, decrease significantly after 20 minutes in a more natural setting.
- Seeing the colour green for just a few seconds boosts creativity levels.
- Cognitive functioning doubles when workers are in well-ventilated offices.
- One third of absenteeism is due to poor interior air quality.

In fact, bodies of evidence from all parts of the globe prove that well designed workplaces are critical for wellbeing. The message to the real estate and built environment sector seems clear: re-humanise spaces to improve employee performance.

## Wellbeing as Standard

A number of international frameworks focus on the direct contribution of buildings to occupant wellbeing, these include:

The International WELL Building Standard™; this is the first certification to focus exclusively on wellbeing. Its compliance requirements fall into seven areas: air, water, nourishment, light, fitness, comfort and mind. Each category is scored out of 10 and – depending on the total achieved – silver, gold or platinum certification is awarded.

Fitwel; this standard assesses building and workplace features such as the design of outdoor spaces, proximity to public transit, indoor air quality, and healthy food standards. Organisations submit questionnaire answers, with photographic evidence where applicable, to receive a rating of zero, one, two, or three stars.

The World GBC's "Better Places for People" Framework; this is a three pillar framework designed to assess and quantify the health, wellbeing and productivity of people in buildings. Firstly, there is a focus on the physical environment. Secondly, occupant perceptions of the environment are surveyed. Thirdly, economic factors are taken into consideration; metrics are tracked over time as improvements are made to the workplace.

New standards and frameworks help ensure challenging targets. They are driving progress in the field of workplace wellbeing. But it is of course entirely possible to design 'well' spaces using thoughtful design concepts, without completing a formal documentation system. There are many routes to wellbeing, rather than a 'one size fits all' solution it should be presented as a universally accomplishable goal.

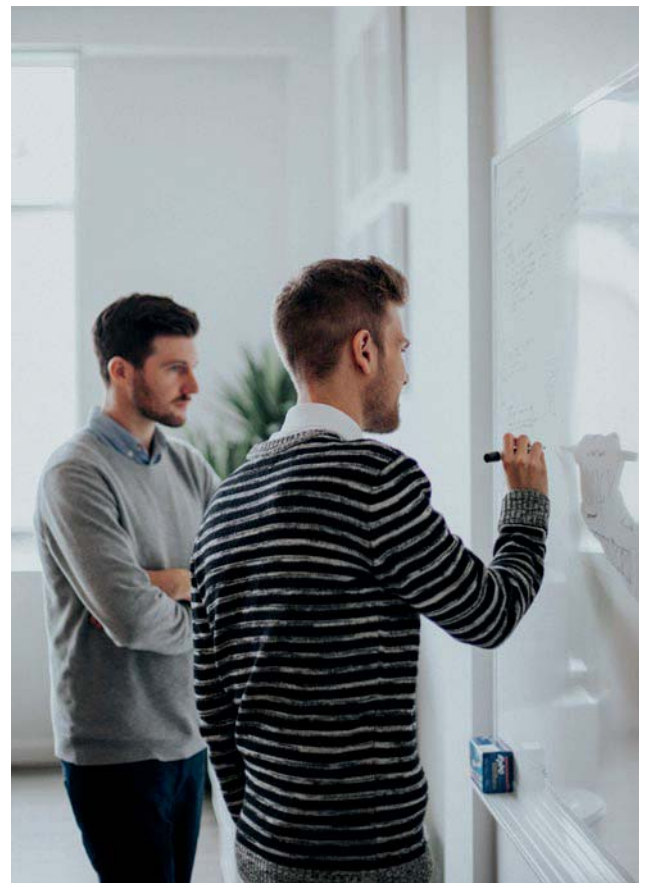
## The Future

For tenants, there are operationally driven financial incentives to occupy 'well' workplaces. However, this should not just be an occupier focus. Investors and developers who successfully adapt their offering are shown to benefit from a tangible premium – three separate studies by the Canadian Green Building Council, McGraw Hill Construction, and the Urban Land Institute found buildings that demonstrate positive impacts on wellbeing are likely to have a higher market value.

Wellbeing in the workplace has emerged as a critical issue, because it is simply too fundamental to be ignored. It is no longer just about doing the right thing, but about taking the commercially sensible option. Bodies of evidence will become more compelling, until 'well' workplaces are the norm. Those who fail to futureproof are likely to suffer financially. 📈

You can download a full copy of our recent report on the subject of wellbeing and real estate at [cushman.co/2kamTEw](https://cushman.co/2kamTEw)

“Corporations are understandably striving to identify links between work environments and business performance



 THE HOT ISSUE

# 'Wellness': Buzzword or Reality?

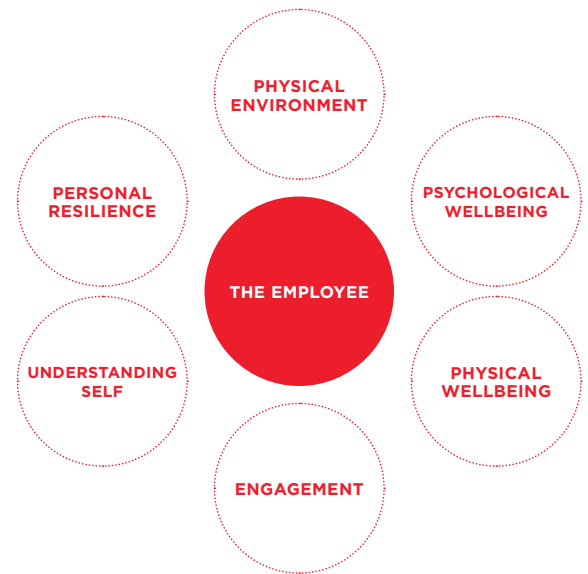
The press seem to be fixated by the 'millennial' as if they are the only generation in the workplace now. The fact is we have a multi-generational workforce, many of whom will work until they are 75, probably for multiple companies. To do this they will need to be fit and healthy well after that to enjoy any sort of retirement.

If our employees really matter, then their wellbeing, not just their productivity should be of concern even to the most hardnosed employer. All generations at work today expect choice, flexibility, authentic connections with their managers and co-workers, knowledge sharing, convenience and their wellbeing to be considered. How your workplace is designed and operated is a vital piece of what HR professionals call the 'employee proposition'.

HR and property professionals now need to work together to bring about real changes to this employee proposition to support "integrated wellness" delivery both at individual and enterprise wide level. How we design, manage and use our workplace is fundamental to how our employees feel about the company, the work they do, and the choice of where they do that work, both inside our offices and elsewhere.

For some employers and property professionals the penny has finally dropped. There is a variety of factors which affect employee wellbeing and the success of an enterprise. Not taking an employee centred approach will lead to missed opportunities.

Integrating wellbeing is more than doing the right thing about the built environment, workplace design and delivery to support better health. Simply embedding more active design, and greater thought and action about the environmental conditions within offices is a start



but not the whole story. We already know that good air circulation, light and temperature can have a positive effect on employee productivity. However, now it is more important for property professionals to support occupiers and investors to understand how they can contribute to the support of the whole employee experience of wellness that the employer supports, and is imperative to retain the good engaged and motivated people for their business.

As an example of how things are changing: some companies in Sweden are now supporting their employees' wellness by rewarding them if they exercise three hours per week outside normal working hours. If they do, they can get an additional week of vacation, thus promoting prevention of stress-related illness and greater physical fitness among employees.

Wellness is actually about employee experience leading to better performance, and the resources employers give them to be effective, creative, collaborative and less stressed, the more valuable they will become for the enterprise.

Wellness is not a hippy concept or a buzzword, it is the path to greater performance of individuals and for the companies that take it seriously, it is a new opportunity for the fixed environment to add value, and be seen as an investment than a cost.

I suggest you get in touch with both your workplace strategy team, and your HR Team to build an alliance on an integrated approach to wellness, and a portfolio which supports employees wellness, increases profits before your competitors do. 🏢

*Peter is an expert on workplace change and change management.*



By Peter Jones,  
Partner, Strategic  
Consulting



## A Value Proposition for Health & Wellbeing

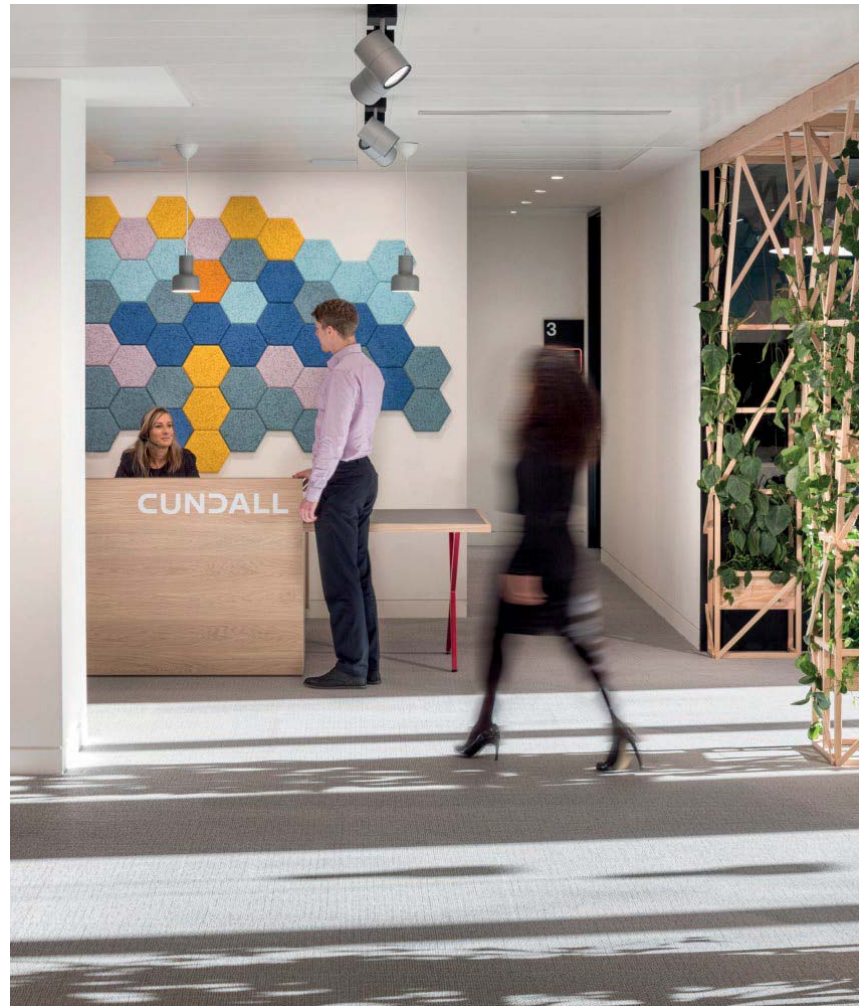
Despina Katsikakis, recently appointed as Head of Occupier Business Performance at Cushman & Wakefield, gives her perspective on the value of health and wellbeing to the real estate sector.

It is clear that expectations have changed in the real asset sector. Health and wellbeing is emerging as an important source of both risk and opportunity for property investors, landlords and occupiers.

Investors are asking for greater transparency about the environmental, social and governance (ESG) performance of real asset portfolios and occupiers are demanding more sustainable, greener and healthier buildings.

GRESB assesses the sustainability performance of real asset sector portfolios and assets in public, private and direct sectors worldwide. It emerged from a unique collaboration of the world's largest pension funds and academics from Maastricht

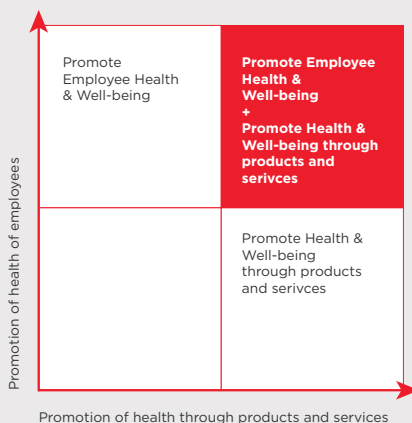
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GRESB assesses the sustainability performance of real asset sector portfolios and assets in public, private and direct sectors worldwide



WELL Certified office One Carter Lane. Photo: Dirk Lindner

### The GRESB Health & Well-being Module

[gresb.com/health-well-being-module](https://gresb.com/health-well-being-module)



University and the University of California at Berkeley. More than 66 institutional and retail investors, collectively representing over USD 17 trillion in institutional capital use GRESB data and analytical tools. In 2017 GRESB assessed real estate portfolios jointly representing more than USD 3.7 trillion in assets under management, as well as more than 200 infrastructure assets and funds.

The new GRESB Health & Well-being Module provides participating companies and funds with practical tools for assessing and benchmarking the actions they are taking to promote health and well-being.

The Module has two areas of focus:

- Internal health promotion refers to policies and actions focused directly on a real estate company's own workforce.

- External health promotion refers to intentional actions taken by companies and funds to improve the health and well-being of their tenants, customers and the communities surrounding their real estate assets.

Internal health promotion is usually undertaken through corporate wellness programmes which are notoriously difficult for investors to measure and compare between organisations and typically struggle with low participation rates or offer only piecemeal interventions that do not comprehensively address employees' health.

One intervention which the real estate industry is uniquely positioned to integrate is implementation of healthy building features that have been scientifically shown to support



human health and well-being and offer a promising method to passively improve participation and improve employee health.

Research from Dodge Data & Analytics found that 69% of U.S. building owners surveyed, who implemented healthy building features reported a corresponding improvement in employee satisfaction and engagement. Therefore, instead of directly trying to change employee behaviour, employers are finding it easier to change their environment by implementing passive health interventions strategically through pursuit and achievement of building certifications such as the WELL Building Standard™ (“WELL™”). This can act as a comprehensive, comparable, and standardised ESG

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**Instead of directly trying to change employee behaviour, employers are finding it easier to change their environment**

metric that can help investors predict long-term growth of corporate financial value.

Environmental interventions target making the healthy choice the easy choice by incorporating active staircases and nutritiously stocked break areas more visible or convenient. Completely passive interventions such as filtered air and water, or circadian lighting can impact more people and significantly increase wellness programme participation rates up to 100% (i.e. all building occupants can experience the benefits of cleaner air or better lighting without taking any specific action).

Recent research suggests that these passive interventions can also have positive impacts on employee performance. A 2015 Harvard study,

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**In order to thrive, people need to move, have access to daylight and alternate between different physical, emotional and mental states**



Runners on the 16th floor running track of the White Collar Factory building, Old Street



for example, suggests that indoor air quality improvements (i.e., low concentrations of volatile organic compounds and carbon dioxide) can significantly improve cognitive function.

In order to thrive, people need to move, have access to daylight and alternate between different physical, emotional and mental states, yet the impact of the workplace on health and productivity is often an afterthought. When assessing the business case to invest in incorporating healthy features and standards, it is important to be clear about the relative value of the interventions against the overall operational expenditure.

We have for far too long been ignoring the 90 percent; we spend 90 percent of our time indoors and 90 percent of opex is typically attributed to people costs, so designing workplaces and buildings to support people's wellbeing makes business sense – as even a modest improvement in employee wellness, can have a huge financial implication for employers – one that is many times larger than any financial savings associated with an efficiently designed and operated building.

It is clear to see in the example below where the value of two productive hours is the same as the annual cost of real estate.

The World Green Building Council has developed a simple framework to help companies take action and create healthier offices: [betterplacesforpeople.org](http://betterplacesforpeople.org).

The framework assesses key environmental factors which affect health and wellbeing, surveys employees to find out how they experience them, and measures the economic factors they influence, such as productivity, absenteeism and medical costs.

The report identifies eight key factors in creating healthier and greener offices which can impact on the bottom line.

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Designing workplaces and buildings to support people's wellbeing makes business sense – as even a modest improvement in employee wellness, can have a huge financial implication for employers

## Eight Features that make Healthier and Greener Offices



**01 Indoor Air Quality and Ventilation**  
A well-ventilated office can double cognitive ability.



**02 Thermal Comfort**  
Staff performance can fall 6% if offices are too hot and 4% if they are too cold.



**03 Daylighting and Lighting**  
A study found workers in offices with windows got 46 minutes more sleep a night than workers without them.



**04 Noise and Acoustics**  
Noise distractions led to 66% drop in performance and concentration.



**05 Interior Layout and Active Design**  
Flexible working helps staff feel more in control of workload and encourages loyalty.



**06 Biophilia and Views**  
Processing time at one call centre improved by 7-12% when staff had a view of nature.

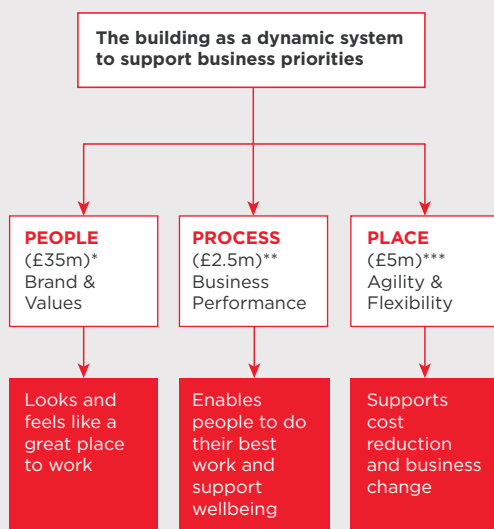


**07 Look and Feel**  
Colours, textures and materials that evoke nature; adding houseplants to an otherwise sparse office environment can increase well-being by 47%, increase creativity by 45% and increase productivity by 38%.



**08 Location and Access to Amenities**  
Public transport accessibility, provision for bikes, showers, healthy food and other lifestyle amenities; a Dutch cycle to work scheme saved £27m in absenteeism.

### City of London Occupier



\* Total salary cost per year  
\*\* Value of 1 hour of productive time per year  
\*\*\* Building and management costs per year

## Opinion: Wellbeing



By Colin Wilson,  
CEO, EMEA



It is important to note that changes to the design of the workplace are only effective if there is an empowering workplace culture to support it. When space is designed with purpose and focused on supporting people, it can have a big role to play in facilitating behaviours that make our life at work more meaningful; connecting us with others to share knowledge and ideas, to concentrate and focus, to activate our mind and body, to connect with nature and recharge our energy and to be inspired to do our best work. 🏡



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**It is important to note that changes to the design of the workplace are only effective if there is an empowering workplace culture to support it**

In an industry where people are everything, attracting, retaining and motivating the best talent is critical. Providing appropriate progression opportunities as well as reward are of course key parts of this, but increasingly they are not enough.

Providing lifestyles that balance the intrinsic needs of individuals with health and family friendly options has an important part to play. When one considers that most waking hours are typically associated with the office and work related activity, it is important to provide an environment that helps to achieve these needs. Beyond talent retention, and generally doing the right thing by your employees, this is given increased focus by a widening data set linking workplace design, health, work-life balance and productivity. With some studies assessing the

amount of productive time in a typical 8-hour day at less than three hours, the opportunity in the cost-value equation is significantly weighted to the value side.

In the past couple of years, we have seen some of our clients pushing the boundaries of the ‘wellness’ offer to their staff, but often this has been intuitive rather than data-based. As the science and technology around this area develops, I envisage that this will become a key consideration to tenants at the point that they enter into lease commitments. For our part, we are committed to exploring how we provide our teams with increasingly flexible options around how they work, with a view to promoting health and productivity and removing unnecessary friction in the working day. 🏡


 ROUND-UP

# London at a Glance

## New Bloomberg HQ opens

The new Bloomberg London headquarters has been identified as the world's most sustainable office building, achieving an 'Outstanding' BREEAM sustainability rating, with a 98.5% score. This is the highest design-stage score ever achieved by any major office development. The building delivers a 73% savings in water consumption and a 35% savings in energy consumption compared to a typical office building.

A number of innovative sustainable design features, such as integrated ceiling panels, natural ventilation, combined heat and power and smart airflow, have been incorporated into the building's design. The development's interiors encourage active working, with sit-to-stand work stations for all employees and a central ramp spanning six floors that encourages movement through the building on foot. The omission of an in-house canteen serving lunch means employees, in the words of Michael Bloomberg, 'get out and enjoy the local economy'.

The company recently unveiled the names of seven restaurants that will be at the heart of the development's restaurant quarter. The 'Bloomberg Arcade' will eventually comprise of ten independent restaurants, open seven days a week offering a diverse selection of cuisines in a move away from national chains.

The office building provides 1.1m sq ft and opened in October 2017.



## Banks long term commitment to London

Deutsche Bank has taken a pre-let for a new headquarter building at Landsec's 21 Moorfields development. The bank has a minimum commitment to 469,000 sq ft, but also has an option to expand later to take up to a maximum of 564,000 sq ft. The scheme will benefit from its proximity to both Moorgate and Liverpool Street stations following the opening of the Elizabeth line. The German bank has taken a 25-year lease, subject to planning permission, which is a strong sign of its commitment to London and the UK, despite the current Brexit uncertainty.

In fact, despite Brexit, the 2017 Z/Yen global financial centres index, released in September, shows that London extended its lead over its nearest rival, New York to remain the number one global financial services centre. Overall assessments for the European centres continued to fluctuate as people speculate about which centres might benefit from London leaving the EU, with Frankfurt, Dublin, Paris and Amsterdam all rising up the global rankings.

## Quintain kicks off JV partnerships at Wembley Park

Quintain announced two new joint ventures to enhance the redevelopment of Wembley Park.

Network Homes and Quintain have joined forces to provide 252 affordable homes in the area. This follows the completion of the Alto, Quintain's third Build-to-Rent building and Vivo, a collection of affordable apartments managed by Network Homes. With planning permission already secured for 7,000 homes, 5,000 of these will be available for rent, which will see Wembley Park become the largest Build-to-Rent development in the UK.

Quintain has also joined forces with Boxpark to open Boxpark Wembley that will provide a pop up dining and event destination at the heart of the scheme. It will include street food and bars, with the aim of bringing 29 independent and established food traders onto Olympic (Wembley) Way and provide year round space for events. This is the third BoxPark in London, following on from Shoreditch and Croydon, and is scheduled to open in 2018.

## Boost to cultural regeneration in Whitechapel

The continuing renaissance of the Aldgate and Whitechapel submarket has been boosted by the imminent arrival of a new centre for photography. Fotografiska, which runs the world-renowned photography museum in Stockholm, has pre-let the entire Phase two of Derwent London's The White Chapel Building, 10 Whitechapel High Street, E1 to house a new London Museum of Photography. The 89,000 sq ft lower ground space and pavilion space is due for completion in 2018, and will bring a vibrant cultural focus to the once overlooked area.

Phase one of the redevelopment created a new public entrance and atrium, including a cafe and bar, and was fully let earlier this year to clients such as the Government Digital Service, Wilmington, Perkins+Will, Unruly, Reddie & Grose, Shipowners' Club, ComeOn! and Lebara.

## Blackstone enters growing Serviced Office arena with purchase of interest in TOG

Blackstone acquired the majority interest of The Office Group (TOG) for approximately £500m. TOG currently has a portfolio of 36 centres, focused on London and this investment into the company is to assist expansion against a background of increasing demand and scale in the sector. 2017 YTD has seen over 1.4m sq ft leased to the sector, which already surpasses the previous annual record of 1.28m sq ft back in 2014.

The trend for investors to enter the sector has been building momentum over the last few months. British Land launched its Storey concept, aimed at companies employing between 20 and 70 people who have outgrown co-working space which will be based in their existing portfolio. While another private equity company, Carlyle, has purchased three office buildings to operate as flexible spaces under the Uncommon brand name, which will cater for 1300 desks. Fora, backed by Brockton Capital, has also increased its portfolio to ten in the last 12 months, scheduled to open between now and 2019.



By Christopher Wilton,  
Graduate Surveyor,  
London Capital  
Markets

 SPOTLIGHT ON...

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It is the  
Ultra High  
Net Worth  
families out  
of Hong Kong  
and Singapore  
that are  
making the  
running at the  
moment



## The Two Towers

The pricing for City office towers has been reset by the transactions at The Leadenhall Building and 20 Fenchurch Street. The Cheesegrater and Walkie Talkie respectively have seen yields for new iconic office towers in London driven down to sub-3.5%.

With lot sizes over £1 billion this provokes the question as to what is driving these buyers.

The answer depends on where in the world you sit.

Sterling has weakened significantly since Brexit so from a currency point of view prices are cheaper on the exchange rate basis.

On a global basis, yields for similar prime CBD office properties, whether it be Tokyo, Taipei, Amsterdam or Berlin, are all beginning with a 3% yield.

In this context, new best in class assets with income streams in excess of 10 years, let to a range of investment grade covenants can attract excellent leverage thereby providing enhanced geared returns.

With both the Cheesegrater and the Walkie Talkie the buyers are Ultra High Net Worth investors from Hong Kong, being CC Land and LKK respectively. Given the increasingly assertive regime from mainland China, there is a push for global diversification and London is of course a first point of call being a global gateway city with rule of law, transparency, accessibility and liquidity.

Whilst many Brits see Brexit as disruptive and negative, depending where you sit in the world it could easily just be seen as a part of the democratic process, which is a

privilege not enjoyed by many jurisdictions.

Following the statement made by the Chinese State Council restricting investments in sectors including gambling and real estate (no connections assumed!) this raises the question as to whether the Chinese investors will be pulling back. Interestingly as Dalian Wanda pulled out of completing on their Nine Elms scheme it was CC Land that stepped up to take their place.

The context here is important with the US having had \$16.4 billion of Chinese investment in 2016 and \$7.2 billion this year, the UK has had \$1.8 billion in 2016 and \$6.5 billion this year.

Apart from the recent acquisition by CR Land at 20 Gresham Street where we sold for AXA at £310 million, there haven't been that many Central London purchases by state-owned enterprises. The four big highlighted entities from China, An Bang, Fosun, H&A and Dalian Wanda, haven't had a deep impact on the London market.

It is the Ultra High Net Worth families out of Hong Kong and Singapore that are making the running at the moment. Our experience of acting on these two leading tower investments, has given us a unique insight into this market, and we expect the trend to continue looking forward. 🏢



By *Martin Lay*,  
Co-Head of London  
Capital Markets  
and *Argie Taylor*,  
Partner, Cross  
Border Capital  
Markets

## FEATURE SET

# Tourism

The most observed impact of the EU referendum vote has been the devaluation of sterling. This is largely a confidence issue, and much will depend on the negotiations ahead of us. A natural consequence of this is that imported goods are becoming more expensive in the UK. The flip side of the coin is that products made largely within the UK can now be priced more competitively for export.

However, the export of sales and services does not have to cross our own borders. An increasing wave of tourism, buoyed by its relatively cheaper cost, is fuelling international demand in London for leisure, hotel stays and luxury retail. Already the world's top tourist destination on a number of metrics, is London's tourism industry going through a gold vein, or is there something more durable here? In the following feature set on tourism, we take a look at the trends in this market.



TOURISM

## Tourism & Luxury Retail

It is the exclusivity of the buying experience that defines luxury retailing. Way beyond the need for the object being bought, luxury is an unashamed indulgence. That's why, despite the enormous growth of internet-based purchasing, London as a luxury retail centre remains the destination of choice for high net worth tourists the world over.

London-based retailers are masters at delivering the standards that individuals who live a wealthy lifestyle expect. They offer a very British combination of outstanding product quality wrapped with quietly effective, but wholly unassuming, service. The outlets themselves sit in bustling cosmopolitan settings, yet still manage to retain a presence of timeless refinement.

Of all London's traditional luxury retail destinations, Bond Street reigns supreme as one of the most sought after and expensive locations of its type in Europe. Ever since it was first developed in the 1720s, the social elite have claimed Bond Street for themselves as the place to meet, greet and shop.

More recently, reflecting the inexorable growth in demand for retail space, the cachet of Bond Street has

spread to neighbouring Bruton, Mount and Albemarle Streets and other mixed-use thoroughfares that meander pleasantly around Mayfair's Berkeley Square.

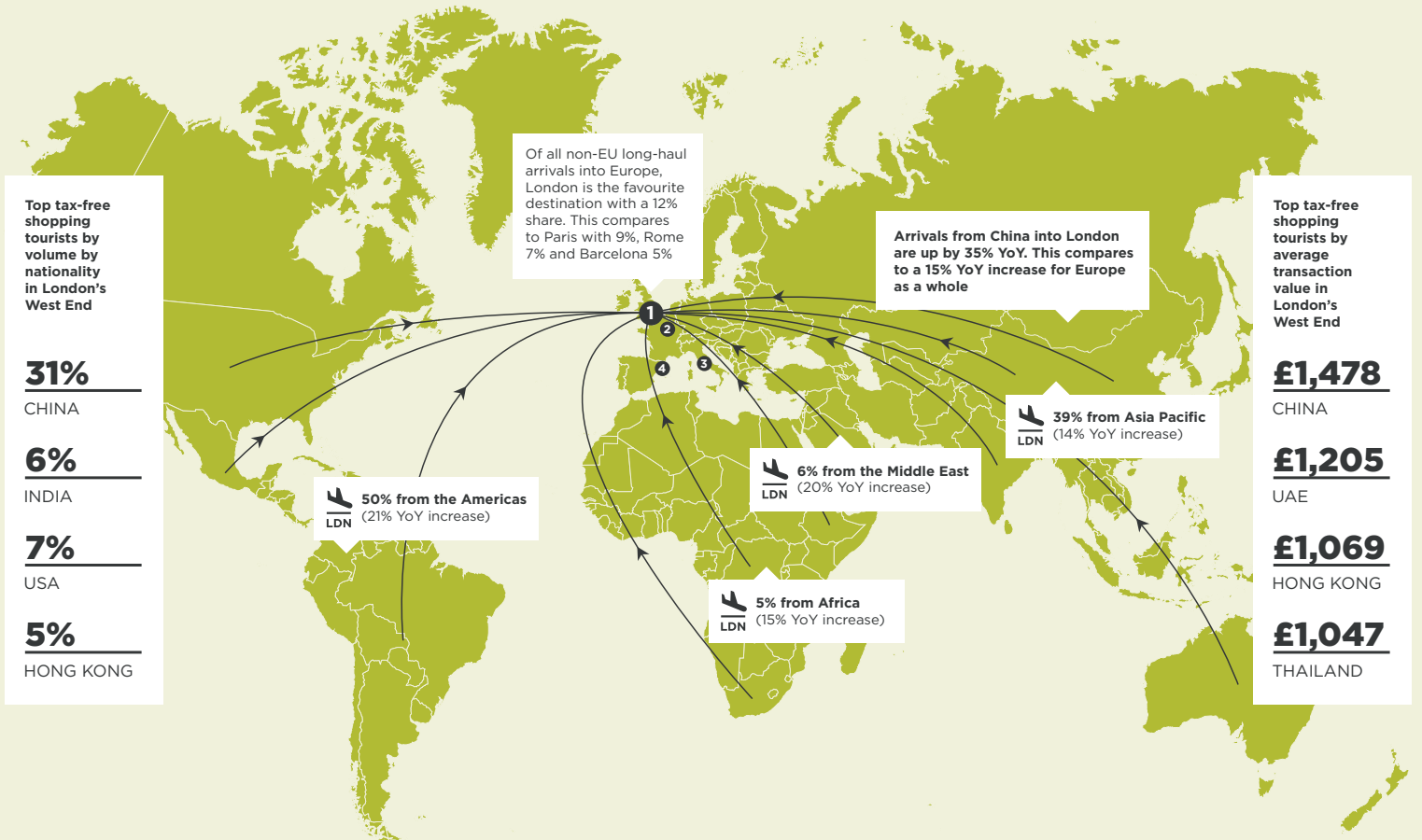
Similarly, Sloane Street and the attractions of Harrods, Harvey Nichols and the designer boutiques of the Brompton Road have helped maintain Belgravia's place among London's traditional luxury retail destinations.

However, the growth of global consumer brands and the need for a different type and bigger size of outlet to accommodate them has moved some luxury retailing closer to the mainstream high-footfall shopping venues.

Nowadays we see luxury clothing, jewellery and top-end digital and technology brands in prestigious flagship stores along Regent Street, in the City by the Royal Exchange and in discrete clusters in places as far afield as Canary Wharf



By Pete Mace,  
Head of Central  
London Retail



Global tourism into London

and Westfield London in White City.

Such developments reflect that today's perception of luxury is very much more fluid than it ever used to be. Contemporary symbols of wealth are universal, and people with sufficient resources are travelling the world to acquire them.

London, Paris and New York, with perhaps to a lesser extent Milan and Tokyo, are the global destinations of choice for luxury retail. Noticeably within that small but exclusive group, London is significantly growing its appeal. London makes a compelling offer for top-end retail-centred tourism. It is comparatively compact in terms of its retail footprint and has all the major brands easily accessible. There's a good choice of five star hotels close by, and visitors have access to an extraordinary array of first class dining and entertainments. The effect for those with deep pockets is that luxury in London can be a fully integrated city experience.

**“London makes a compelling offer for top-end retail-centred tourism**

Of course, London and the UK in general have an extra advantage at the moment in that the sterling exchange rate is very attractive for tourists.

Everything adds up to making luxury retailing in London a viable business proposition. Luxury is well established as part of the city's core identity and contributes greatly to the appeal for high net worth tourists. Also, we have to remember that there is already a very strong home market for luxury goods.

In terms of real estate, there are various opportunities to buy and rent in the marketplace that offer routes into London's luxury's business market. However, the best store opportunities can sometimes be hard to come by, particularly in the prime Mayfair and Belgravia locations. Therefore, having a view to emerging luxury clusters and being informed on new models and trends is as important as ever. 🏠



 TOURISM

“  
The partnership with the corporate travel portal Concur will allow users to compare Airbnb properties directly with hotels



citizenM Tower of London

## London, Tourism and Sharing Economy

With over 19 million visitors to London every year, our capital remains one of the world's most important markets for hotel operators. Success attracts competition and competition breeds innovation. We are already seeing this in the market, but on the horizon there are potentially bigger changes.

Despite limited supply growth in Europe over the last decade, London hotel supply shows no signs of abating, with the capital now home to over 1,600 hotels and 149,200 bedrooms. In 2016 alone, 53 new hotels opened, including 15 aparthotels and 16 budget hotels. This trend is continuing through 2017, with 59 new hotels, providing 3,575 new rooms, expected to be added to the stock by the end of the year.

However, this isn't the whole picture. There is a new market

developing around the sharing economy that is growing at a quicker rate and this may be only the tip of the iceberg. The number of properties listed on Airbnb almost doubled over the course of 2016 to 50,000 and bookings surged by 130% in 2016 (to 4.6M) and by a further 55% during the first four months of 2017. As a result, Airbnb's share of the London overnight stay market has more than tripled since January 2015 to 9%.

Whilst these stats may illustrate the capacity for expansion in both

markets, one only has to look at the retail sector or the taxi industry to see how digital platforms can quickly take share from incumbents. As the private market develops a taste for using the platform, unless there is intervention from regulators, inventory levels will rise and hoteliers will face challenges to sustain existing growth trajectories. But more than that, the emergence of the so-called sharing economy has already started to alter consumer expectations on a fundamental level and redefine what and where a hotel is.



By Jeanne De L'Espée, Senior Consultant, Hospitality and Maria-Pia Intini, Director, Development & Investment, citizenM



25Hours Hotel Hamburg

“As well as impacting mainstream hotels, Airbnb and other intermediaries have also become a disruptor to the wider residential market

This impact of Airbnb is also diversifying across market segments. Alongside leisure travellers (upsold with tours and excursions by ‘Airbnb Trips’), Airbnb is now also directly targeting the business and the luxury travel markets. The partnership with the corporate travel portal Concur will allow users to compare Airbnb properties directly with hotels. The pilot project, unofficially referred to as ‘Select’, will allow Airbnb to address older and wealthier travellers still preferring the amenities that come with upscale and luxury hotels.

Traditional operators cannot ignore the disruption and many are taking stock of their positions. As a result of a cited ‘material change’ in their circumstances, hotel operators, supported by the British Hospitality Association, are likely to

appeal against the higher business rates proposed in the April 2017 revaluation. In some cases rates payable will more than double. The argument for material change has greatest weight in Westminster, Tower Hamlets, Kensington & Chelsea and Hackney, which collectively account for almost 50% of all Airbnb bookings in the UK in 2016.

Lack of regulation is becoming an increasing concern not only for hoteliers but also for local authorities and many private landlords, although things are starting to change. From early 2017, Airbnb’s systems automatically limit entire home listings in Greater London to 90 nights per calendar year unless users submit an Exemption Form to share their space more frequently. However, the 90-day limit is difficult

to police and the associated tax advantages deliver around one third of the savings that Airbnb offers to its customers. This is without even considering the alternative home-sharing platforms. In addition, inspections to check hotel-standard fire protections are far less common than for traditional B&Bs and hotels.

As well as impacting mainstream hotels, Airbnb and other intermediaries have also become a disruptor to the wider residential market. Last March, Sadiq Khan warned that the rise of short-term rentals risks reducing the number of homes available for permanent residents, albeit demand in the long-let market has softened since Brexit. This, together with the recent cuts in tax breaks on mortgage-interest payments and the growing pressure

on returns, has allowed the short-term rental market to flourish, especially for luxury apartments hit by higher SDLT rates.

However, disruption also breeds innovation. The rapid growth of platforms such as Airbnb is testament to the vast market for travel products outside of mainstream hotels - and smart hoteliers are capitalising on the trend. Hilton's latest brand Tru (which boasts the fastest growing pipeline in the history of the hospitality industry) owes its success to smart and efficiently designed guest rooms, reimagined public spaces and creative updates around food and beverage. On a smaller scale, stripped-down but design-forward hotels like Yotel, citizenM and 25hours have been popping up in urban locations and next to major hubs all over the world. Additionally, some hotel groups are offering Airbnb-style lodgings alongside traditional offerings. Room Mate Hotels now offers short-stay urban apartments through a brand called Be Mate, whereas Accor Hotels (Europe's largest hotel group) last year bought London's Onefinestay, an upscale version of Airbnb, as well as investing into 25hours.

Hoteliers are also setting their sights on new markets, including the burgeoning flexible office sector. Partnering with LiquidSpace, Marriott International has started testing a new concept called Workspace on Demand, which gives guests and non-guests of 35 selected hotels in the US the opportunity to book small scale meeting space for an hourly fee. In Europe, the chain has created Canvas, a food-and-beverage talent incubator designed to unlock the potential of unused spaces in Marriott hotels and leverage the hotel space to engage the community. In 2016, the Marriott Park Lane in London welcomed Notch, a pop-up rooftop bar revolving around Japanese street food and cans of homemade cocktails, taking

“**Hoteliers are also setting their sights on new markets, including the burgeoning flexible office sector**

inspiration from the millennial hotspots of Williamsburg and Berlin.

The rise of the sharing economy is irresistible. It reduces barriers to entry, improves efficiencies and, in many ways, adds to the customer experience. Its effect is felt most acutely in markets where cost pressures are high and utilisation is inefficient. Where already established, sharing economy platforms will continue to innovate and expand vertically. This is the case with Airbnb Trips and Airbnb Select in the hospitality industry and Uber

Eats in the leisure sector. Similarly, avant-garde hoteliers will embrace innovation and reshape their own core models to adapt to demand for customisation, authenticity and community engagement.

Challenge and change are positive drivers for the guest experience but the form of regulation applied to the disruptors will be key to shaping the industry going forwards. The clearer the lines, the better the tourism industry will be at managing and sustaining the co-existence of its brands. 🏠



In 2016, the Marriott Park Lane welcomed Notch, a pop-up rooftop bar revolving around Japanese street food and cans of homemade cocktails

## TOURISM



“ Both practice and perception needs to be overcome to create a truly liveable and importantly, bearable 24-hour city

## 24/7 Tourism

It's a truism that tourists probably don't come to London for the weather. In the most visited city in the world, four out of five travelers say 'culture' is their main reason for their trip.

“ Sadiq is seeking to further promote both domestic and overseas tourism and its £26.3bn annual contribution to London's economy



By Ian Anderson,  
Partner,  
Development &  
Planning

London's top 20 attractions account for almost 90 per cent of visits and account for significant spend alongside the boutiques of Bond Street, Oxford Street, Knightsbridge and Covent Garden which capture the lion's share of dollars and yen. However, the weekend crowds increasingly heading to Camden Lock, Brick Lane and Borough Market suggest that tourists also have an appetite for more divergent experiences.

The Mayor is seeking to further develop London's rich cultural and architectural diversity through the development of 'quarters' based around the city's built environment and world leading night-time economy. In doing so, Sadiq is seeking to further promote both domestic and overseas tourism and its £26.3bn annual contribution to London's economy: enhancing an industry which already employs one in eight people in the city.

However, it's a sector under pressure, with 103 fewer nightclubs and live music venues than a decade

ago and a fall of 35% in grassroots music venues. Pubs are estimated to be in decline at a rate of over 140 per year. There also remains pressure around the juxtaposing late night activities with both real and perceived potential risk for antisocial behaviour alongside residents and businesses.

The new London Plan which will go out for consultation this autumn is forecast to be the most pro-cultural Plan yet. Planning policies and decisions are likely to guard against any unnecessary loss of valued social, recreational and cultural facilities: particularly those which meet the needs of specific groups (e.g. LGBT).

Within central London, the special characteristics of the West End, South Bank / Bankside / London Bridge, Barbican, Wembley, and the South Kensington Museums / Royal Albert Hall will be further promoted, enhanced and protected. Elsewhere, Councils are being encouraged to identify cultural quarters which can be enhanced as visitor attractions; encouraging a wide range of tourism-driven activities within town centres

and other places of special interest. Alongside this, existing day-based visitor attractions will be supported to explore extended opening hours to 'blend' the 24-hour city experience and create crossover between day and night-time tourism.

The further contribution of these quarters to both place-making in the city and as a driver to London's economy could be significant. There is likely to be a minimum of 70 night-time clusters across the city and future proposals are likely to represent a huge opportunity to make London's tourist economy and culture an even richer proposition. However, both practice and perception needs to be overcome to create a truly liveable and importantly, bearable 24-hour city.

With the appointment of Amy Lamé, as the UK's first-ever Night Czar to champion night-time culture and now just over a year since the successful introduction of the night tube, these changes are predicted to provide a further boost to the economy and vibrancy of the city - London is open 24/7! 📍



# Keeping Fit

John F Kennedy said, *'Physical fitness is not only one of the most important keys to a healthy body, it is the basis of dynamic and creative intellectual activity'*. Then again, in the words of Joan Rivers, that other great American thinker, *'The first time I see a jogger smiling, I'll consider it'*. So what are the alternatives to jogging that Londoners take to keep fit? We look at some of the alternative – and in some cases downright adrenaline-pumped – opportunities that London offers.



## COVENT GARDEN

### Ice Climbing

As surreal as it sounds, Ellis Brigham have eight metres of ice to climb in their store in Covent Garden. Called Vertical Chill, The aim of the ice wall is to, 'provide a realistic test environment for beginners and experienced climbers to learn winter climbing techniques, and hone their skills using new equipment.' The advice is to bring warm clothes as temperatures range from -5 to -12, and for anyone who is thinking it sounds like a cold equivalent of a plastic climbing wall, 'The Covent Garden ice wall is 8m in height and ranges in steepness from a pleasant slab to a drastic over-hang with everything in between'. 🌐 [www.vertical-chill.com](http://www.vertical-chill.com)

## PADDINGTON

### Paddle Board Yoga

Most people are aware of what a standup paddleboard is (it is the world's fastest growing watersport), and in Paddington this is taken to a whole new dimension with Active 360 'taking a traditional yoga class onto the water where the paddleboard becomes your new floating yoga mat'. By having to adjust to the movement of the board on water, you will maximize your core stability. Apparently you can wear your usual yoga clothing, but wetsuits are available on request! You can organise a class at 🌐 [www.active360.co.uk](http://www.active360.co.uk)



## KING'S CROSS

### Festiwell

King's Cross has also just played host to its first Festiwell – offering Tai Chi taster classes, a wide range of nutritional classes, mindfulness sessions, boot camps, a boxing masterclass and even a Bollywood dance workshop, this was truly a celebration of fitness and health and a reflection of how health and wellbeing have grown from being a trend to a key strand of life today.

🌐 [www.kingscross.co.uk/festiwell-programme](http://www.kingscross.co.uk/festiwell-programme)



By Richard Howard,  
International Partner, Head  
of Leasing

## KING'S CROSS

## Move Your Frame

Frame has arrived in King's Cross – their mission is to foster a more positive approach to health and fitness, 'more than just the regular gym session pounding the treadmill'. King's Cross has three studios: fitness (complete with punch bags and kettlebells), yoga and barre (with big windows overlooking a beautiful garden) and a Pilates studio (with 10 state of the art reformer machines). A fourth studio will be added early next year. 'With a busy Framer in mind the changing rooms are equipped with power-showers and all the necessary bits and bobs (hair dryers, straighteners, shampoo, conditioner and body wash) to take you from studio to the street'. [www.moveyourframe.com](http://www.moveyourframe.com)



“

Frame has arrived in King's Cross – their mission is to foster a more positive approach to health and fitness, 'more than just the regular gym session pounding the treadmill'.



## ROYAL VICTORIA DOCK

## Wakeboarding in the Wharf

From the serenity of yoga overlooking a garden, we turn to Wake Up Docklands in Canary Wharf – 'London's Inner-City Water Sports Oasis' – they too offer paddleboard yoga but for more adrenaline try the cable-tow wakeboard option. No need to leave London to, according to Time Out, 'feel like being transported out of London and into a beach holiday'. The Shack is a fully licenced bar so a drink to recover is at hand.

[www.wakeupdocklands.com](http://www.wakeupdocklands.com)

## CANARY WHARF

## Pop-up Velodrome

Also at Canary Wharf is the street velodrome – this is an amazingly cool unique cycle sport concept which brings all the excitement of Olympic style sprint pursuit racing right into the heart of the community – essentially it is a pop-up mini velodrome. The core vision is to make being active by cycling more accessible – a key aspect is that taking part in Street Velodrome events is always 100% free. [www.streetvelodrome.co.uk/canary-wharf](http://www.streetvelodrome.co.uk/canary-wharf)

Of course, you can be like our last great American, Mark Twain – 'I have never taken any exercise, except sleeping and resting, and I never intend to take any.' But if you want to get out, have fun, and do something completely different (where else could you ice climb and wakeboard on the same day without leaving the city?), it's all right here.



# London in Figures

Our team of experts delve into the latest market stats and more...

## £ RENTS

### Annual Rental Change

- More than 0% ARC
- 0% ARC
- Less than 0% ARC



# Wellbeing

## 63

**WELL Accredited Professionals in the UK**

According to the International WELL Building Institute website, there are 63 WELL Accredited Professionals in the UK - 24 of which are in London  
[wellonline.wellcertified.com/people?f\[0\]=field\\_country\\_name\\_text%3Aunited%20kingdom](http://wellonline.wellcertified.com/people?f[0]=field_country_name_text%3Aunited%20kingdom)

## 1.22m

**sq ft of WELL-certified office space in central London**

22 Bishopsgate will be the UK's first WELL-certified new building project, in addition to Cundall's office at One Carter Lane, which was the first office space in Europe to achieve the WELL building standard. This will bring the total amount of WELL-certified office space in Central London to 1.22m sq ft, accounting for 0.46% of total office stock.

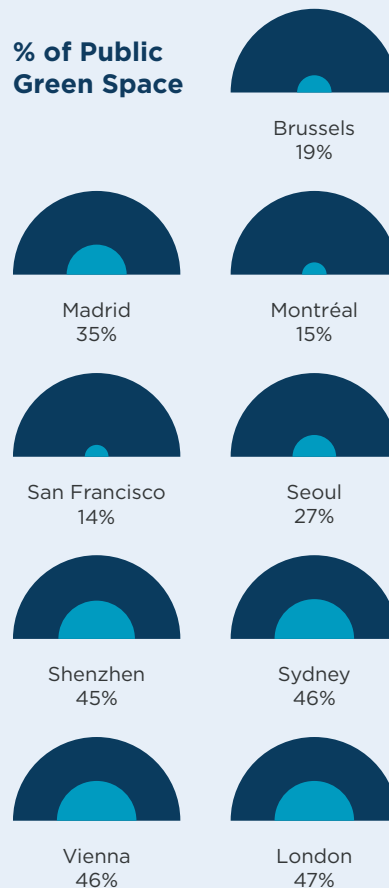
## 159

**Fitwel buildings globally**

Although still in its beta phase, the fitwel healthy building standard has 159 current projects globally, with over 600 projects committed until the end of 2018. At the time of writing, there is just one fitwel building in London - Integral Group's 6,000 sq ft retrofitted space at 80 Cheapside - which is the first non-US fitwel facility.  
[www.fitwel.org](http://www.fitwel.org)

[www.proudgreenbuilding.com/news/london-office-first-non-us-fitwell-facility/](http://www.proudgreenbuilding.com/news/london-office-first-non-us-fitwell-facility/)

**% of Public Green Space**



Source: World Cities Cultural Report

London is one of the greenest cities in the world. According to Greenspace Information for Greater London (GIGL), roughly 47% of the city is green, of this 5.77% of Greater London is designated as Parks and Gardens.

[www.gigl.org.uk/keyfigures](http://www.gigl.org.uk/keyfigures)

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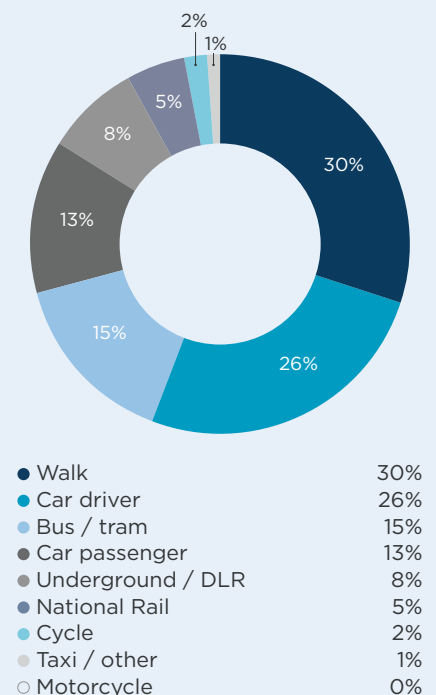
**The CIPD Absence Management Survey shows that just 1 in 10 companies in the UK have a standalone well-being strategy**

Most trips in Greater London are made on foot, with 5.5 million walking trips made in 2015/16. Walking accounted for most daily trips in Inner London (36%) but the car was the mode of choice in Outer London (32% compared with 25% on foot)

In 2015/16, an estimated 4.5 million car trips were made in Greater London, an increase on the previous year when 4.4 million car trips were made. The average car trip was 4.1 km, down from 4.5 km in 2014/15.

## Greater London - Modes of Transport

Average from 2005 - 2016



Source: London Travel Demand Survey (LTDS)



# 9,000

**Number of Londoners dying each year as a result of toxic air**

According to the UK Green Building Council (UKGBC), 40,000 die prematurely in the UK each year because of air pollution. This equates to 9,000 Londoners dying each year as a result of toxic air

🌐 [www.ukgbc.org/wp-content/uploads/2017/09/Sustainable-Cities-Leadership-Summit-output-report.pdf](http://www.ukgbc.org/wp-content/uploads/2017/09/Sustainable-Cities-Leadership-Summit-output-report.pdf)

🌐 [www.axapphealthcare.co.uk/flyingstartwww.london.gov.uk/what-we-do/environment/pollution-and-air-quality/air-quality-statistics-and-research](http://www.axapphealthcare.co.uk/flyingstartwww.london.gov.uk/what-we-do/environment/pollution-and-air-quality/air-quality-statistics-and-research)

# 6.3

**Average number of sick days**

The average number of days of sickness absence per year is 6.3, which is down compared with 2015 and at its lowest level for seven years. Public sector absence is higher, with, on average, over three days more absence each year than their private sector counterparts.

(CIPD Absence Management Survey 2016)

# 8.2m

**work days are lost due to health and stress related problems in the UK**

The CIPD Absence Management Survey shows that just 1 in 10 companies in the UK have a standalone well-being strategy. Nearly half of those surveyed stated that they had increased their focus on well-being over the last 12 months.

According to Thrive LDN, 2 million Londoners will experience mental ill health this year (22% of the population). 8.2 million work days are lost due to mental health and stress related problems in the UK, as 270,000 employees take time off work for stress related disorders.

🌐 [www.london.gov.uk/what-we-do/health/london-health-board/thrive-ldn-improving-londoners-mental-health-and-wellbeing](http://www.london.gov.uk/what-we-do/health/london-health-board/thrive-ldn-improving-londoners-mental-health-and-wellbeing)

“**Londoners spend about three weeks more at work a year than the rest of the UK**”

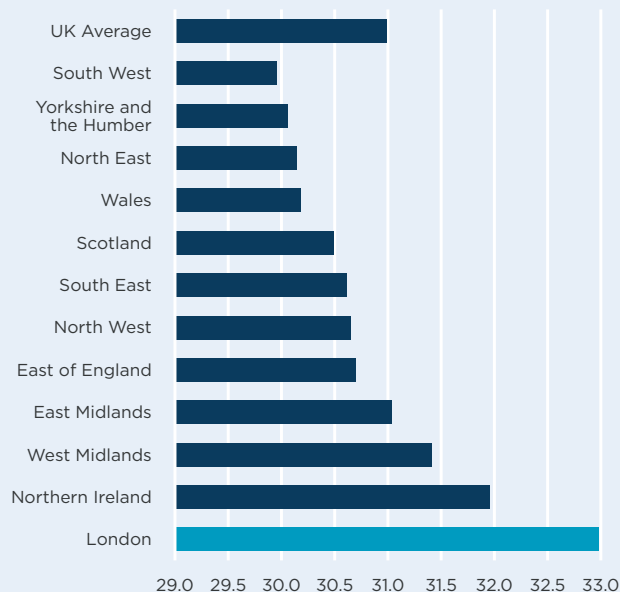
The average UK office worker sits 10 hours each day, with almost 70% of sitting taking place at work. Work is the biggest barrier to being more active, with 20% of people citing being too busy with work as a barrier to being more physically active.

Source: [GetBritainStanding.Org/UK active](http://GetBritainStanding.Org/UK%20active)

Londoners spend about three weeks more at work a year than the rest of the UK. ONS figures show the average working week in London is 33 hours, the longest since the 2008 financial crisis. The average working week in the UK is 31 hours.

“**8.2 million work days are lost due to mental health and stress related problems in the UK**”

## Average Weekly Working Hours



Source: ONS

# 74%

**of employees who exercise feel better at managing their workload**

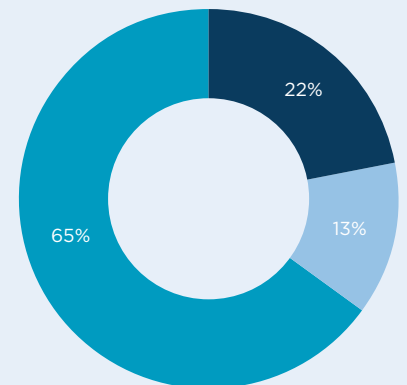
79% of employees who exercise before or during work report improvements in mental and interpersonal performance, while 74% feel better at managing their workload.

🌐 [www.axapphealthcare.co.uk/flyingstart](http://www.axapphealthcare.co.uk/flyingstart)

Source: AXA PP Healthcare

64.6% of Londoners aged 16+ report doing more than 150 minutes of moderate exercise, which is marginally below the UK average of 65.4%. 150 minutes meets the guidelines recommended by the Chief Medical Officer.

## Activity Levels in London



● Inactive (30 mins or less pw) 22%  
● Fairly active (30-149 mins pw) 13%  
● Active (150+ mins pw) 65%

Source: Active Lives Survey 2015/2016

# 9.7m

**gym members in the UK**

1 in 7 people in the UK are gym members, which equates to more than 9.7 million people

🌐 [www.leisuredb.com/blog/2017/5/5/2017-state-of-the-uk-fitness-industry-report-out-now](http://www.leisuredb.com/blog/2017/5/5/2017-state-of-the-uk-fitness-industry-report-out-now)

## Size Band Analysis

“**Persistent growth from the office as a service sector surely raises the potential for further pressure on the smaller end of the market**”

Central London leasing activity continues to surprise with quarter on quarter uplifts and above average volumes recorded across the capital. While aggregated figures tell one story, the underlying data provides a different narrative.

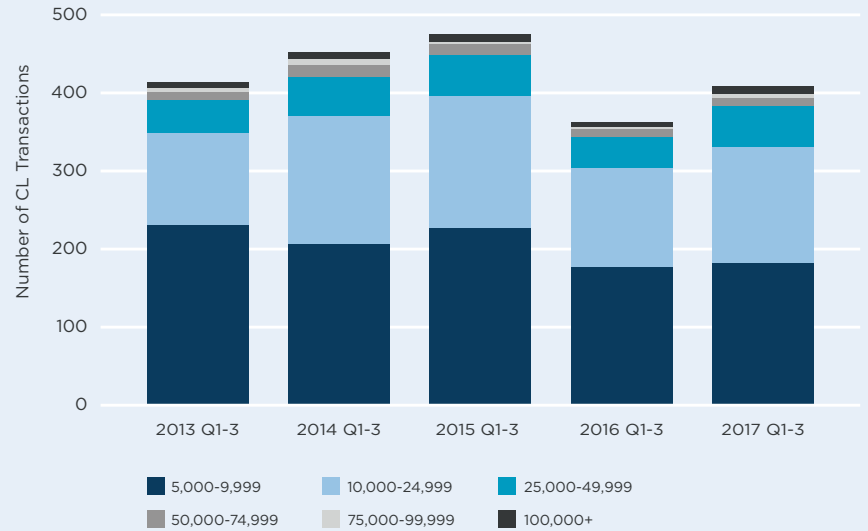
Confounding post referendum expectations, the number of transactions in 2017 above 100,000 sq ft is 20% above the 5-year average, with 11 transactions above that threshold in the year to date. This demonstrates the continued attraction of London post Brexit and occupier confidence to make wholesale moves and consolidations. The pre-let market accounts for 68% of the deals above 100,000 sq ft in the last five years, and 73% of 100,000 sq ft+ deals in 2017 so far. This suggests long term commitment to London from a diverse occupier base.

A number of high-profile leasing transactions, such as Deutsche Bank at 21 Moorfields (469,000 sq ft), WeWork at Two Southbank Place (283,000 sq ft) and Boston Consulting Group at 80 Charlotte Street (124,000 sq ft), are making headlines but it is important to remember that the smaller occupier market has always supported activity levels.

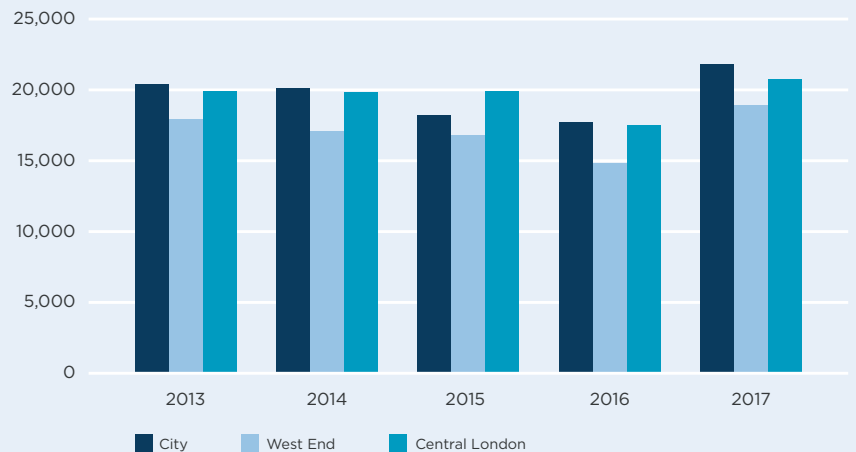
Both the 10,000-25,000 sq ft and 25,000-50,000 sq ft brackets have seen an upturn in activity during 2017, with above average numbers across Central London particularly for transactions above 25,000 sq ft.

The area of concern is the reported thinning of the bottom end of the market, especially transactions of 5,000-10,000 sq ft. The number of transactions recorded this year in this size band was down 11% against the 5-year Q1-3 average while as a percentage of the total number of transactions, there has been a gradual downward trend over the last five years. There is a perception that this ‘hollowing out’ would be more prevalent in the West End market, but the data confirms the opposite; there were 80 transactions of 5,000-10,000 sq ft in Q1-3 2017, which is directly in line with the 5-year average for the West End.

## Central London Transactions by Size Band for Q1-3 (over 5,000 sq ft)



## Average Transaction Size by Market (sq ft)



Because of these size shifts, the average transaction size in Q1-3 2017 was 20,620 sq ft, some 4% higher than the 5-year average deal size (19,807 sq ft).

The above analysis concentrates on all transactions above 5,000 sq ft. Whilst there have been 409 leasing transactions above 5,000 sq ft in 2017 YTD, there have been 928 below that threshold in the same time period. The sub-5,000 sq ft market in Central London accounts for 69% of transactions (by number) but only 19.8% by volume. The number of these small

transactions is also down year on year, supporting the two-tier market being observed between large and small transactions.

It is potentially too early to make any concrete conclusions about whether this shift in deal size distribution will continue, but persistent growth from the office as a service sector surely raises the potential for further pressure on the smaller end of the market. There is of course continued political and economic uncertainty, which could impact the frequency of larger transactions in the future. 📈



By Christopher Dunn, Senior Insight Analyst



In  
Conversation  
with  
Rob Tincknell

## 66 IN CONVERSATION



Battersea Power Station is one of London's most iconic structures, and the realisation of its development marks a huge step forward in the repositioning of a wider area stretching down to Vauxhall. With the US Embassy and Northern Line extension also moving forward, Nine Elms is taking a new role in London's ecosystem; so much so that agency practices have this year recognised the area as being a new submarket: 'the Emerging West End'.

Our Head of London Leasing, Richard Howard, found time to catch up with the man leading the development of Battersea Power Station, Rob Tincknell. In Conversation below they discuss community, the Thames, and placemaking.

**Richard Howard** — The Wellness agenda is towards the top of everyone's list. What is unique to Battersea in this respect?

**Rob Tincknell** — What companies actually want from their offices has changed a lot over the last 10 years. In the past, all that was required was enough desks and a central location, often dependent on industry.

But now we're seeing high-profile businesses deliberately choosing prime mixed-use developments outside their traditional areas e.g. Google moving to Kings Cross and of course Apple moving its London Campus to Battersea Power Station. They're focusing on what life is like in and around their offices, because they want to attract talent and keep their employees happy and productive – Wellness is high on the agenda.

Battersea Power Station has a riverside location allowing people to commute by River Bus, and it will be served by its own new Zone 1



By Richard Howard,  
International  
Partner, Head  
of Leasing

tube station. The Power Station, by virtue of being essentially a new town centre means that during a lunchbreak people can visit the shops, go to restaurants, browse the galleries and events space or even take a stroll along the river to Battersea Park.

**RH** — Apart from unique offerings, what else does BPS offer in terms of Wellness?

**RT** — We've tended to use words like 'place' and 'community' in the past, but in many ways these things overlap. Our focus is now firmly upon people.

We've worked to build a strong community ethos right from the start, beginning by listening to the local people and going from there. We've always planned to include a lot of mixed commercial space and, along with shopping and restaurants and other amenities, we've invested a huge amount in our cultural programme. We've already opened The Village Hall in Circus West Village and there are numerous pop-ups and events on the riverside walk. Plus various art installations funded through the "Powerhouse Commission" which has been set up to give artists new platforms for their work throughout the site. In time, we'll be adding major cultural venues capable of welcoming thousands of people.

We created the masterplan for Battersea Power Station so that it includes 18 acres of open space as well as a roof garden on top of the Power Station building. There is also the sky garden on top of the Foster + Partners designed building, created by the team behind the High Line in New York. On the ground, there is a huge six-acre public riverside park in front of the Power Station. Berths for visiting boats will also be available and in time the full stretch of Thames pathway to the south of the river will be opened up.

We also try to help build wellness and a sense of vibrancy and community in other ways. For instance, we have started our own Battersea Power Station Community Choir. The power of singing to bring people together has been known for a long time: our choir is open to those living and working in the neighbourhood.

We have an award-winning health centre here already looking after our people. They have awareness campaigns, and there's a new NHS medical facility planned as part of the development.

**“**  
**We've worked to build a strong community ethos right from the start, beginning by listening to the local people and going from there**

**RH** — Do you think external factors such as the river and Battersea Park have an influence on occupiers who are pursuing the Wellness agenda?

**RT** — Absolutely. The social and health benefits of public green space have been well known since Victorian times; in fact, that's what led to the establishment of Battersea Park in the first place. More recently, there's been a flood of research showing the positive effects of simply looking at trees or water – Battersea Power Station has 18 acres of open green space and overlooks the Thames.

**RH** — Are there any specific plans to use the river next to the Power Station?

**RT** — Yes. Our new pier for the MBNA Thames Clippers River Bus service is now open, and that is genuinely life-improving for people living, visiting and working here. Thames Clippers has a phrase 'the commute with a view', and they do have a point. Travelling up and down the Thames by boat is one impressive view after another. It's quick too, it takes just 15 minutes to get from Battersea Power Station to the Embankment.

Apart from the River Bus, we've also made good use of the Thames in our construction work, using it to carry away excavated material by barge. This has taken hundreds of lorries off the roads and cut our transport carbon emissions by 30 per cent.

We are now working on designs to create a small urban marina for visiting boats, perhaps with floating leisure facilities and a River Garden, drawing more people closer to the water. The historic cranes will also be restored and re-positioned on the jetty, becoming another visitor attraction.

The River Thames is very important to us, quite apart from the wellness benefits of having it there.

**“**  
**We have the highest aspirations for sustainability and we're targeting a BREEAM standard of 'Excellent' for the project**

**RH** — What gyms/spas are there on site?

**RT** — The residents' spa and gym at Circus West, The Spring, has a pool, gym and treatment room facilities. The new flagship Boom Cycle, the high energy spinning studio, is also open at Circus West Village. Furthermore, we've had lots of exercise classes on the riverside this summer and in The Village Hall: yoga, boxing, dancing and lots more.

As we move forward, each new phase of the development will include more health and fitness facilities. There will also be a stunning rooftop swimming pool as part of the Battersea Roof Gardens.

**RH** — What do you think were the main attractors to the major office pre letting that you have just successfully agreed?

**RT** — I can only talk about the feedback we get in general from potential commercial tenants rather than specific examples, but some of the things we've already discussed were big draws: the central location, green space, the river, comprehensive amenities on site and the strong focus upon community and people.

I also think the Power Station itself, a building that's an instantly recognisable global icon and stands out as a key feature of the London skyline, played a huge part.

We have the highest aspirations for sustainability and we're targeting a BREEAM standard of 'Excellent' for the project.

There's also another unique selling point of the Power Station, which is the visually extraordinary nature of the spaces we're creating inside it. Walking into the entrance atrium to the office space, which uses the full staggering height of the building and glass roofs to reveal the scale of the chimneys, will be a genuine 'wow' moment. The shared spaces at the heart of the offices will also pack a real punch.

There is still a reasonably large amount of office space still available at the Power Station and to date we have seen considerable interest in this space from co-working providers and business members clubs.



**RH** — What has the reaction been from Londoners to the restoration of such an icon? All positive or did some want to leave it be?

**RT** — Leaving the site untouched would have been a tragedy: the chimneys were crumbling and there was a lot of other damage. Leaving it be would have meant the Power Station eventually falling down. But with a project as big as this, and a building as important as this, there were always going to be some critics. There were those who thought that Battersea Power Station was undevelopable and would never happen; there were also those who wanted the building demolished.

However, as we have now proved, the restoration of this extraordinary building is not only possible but will be an amazing addition to London's cultural global offer.

The amount of consultation we have run and participated in throughout this project, and continue to do so, means we're genuinely able to engage with stakeholders in a meaningful way. I absolutely believe we're delivering things that the local community needs and wants: Battersea Power Station is already becoming an exciting new town centre for London and a great place to live, work and play.

**RH** — What is the demographic of the residential buyers?

**RT** — It's a real mix. We've seen young professionals, families, quite a few entrepreneurs, some international buyers. One phenomenon we've seen is retirees looking to downsize: but rather than moving out to the country, they're choosing somewhere where there's more going on. The strong community we're fostering is often very attractive to these buyers. One of our residents, a 65 year old lady, told me she'd met more people in four months here than in 10 years in her previous home. This is 'Lights on London.'

**RH** — How are the first retailers and restaurants such as Mother and No. 29 trading?

**RT** — Initial trading has been very positive indeed and the feedback we have received has been good. It's early days yet but we're very pleased with the amount of footfall at Circus West Village and the visibility it's gained as a new destination for London; we have had nearly 400,000 visitors already since we opened and that's only the start. We expect a big boost with the recent arrival of the River Bus and new big-name restaurants opening this winter. Francesco Mazzei's Fiume, is now open, and Wright Brothers Battersea is next to open its doors.

**RH** — Quite a few of the restaurants (for example Pedler Cru) are one-offs or small independents. Was this a conscious choice?

**RT** — Yes, absolutely. We curated the retail offerings at Circus West Village very carefully, in going out of our way to bring in restaurateurs that would work together and enhance the community. The whole idea is for Circus West Village to be somewhere unique and full of independently run businesses, a London destination different from others, and we like to think we're achieving that.

**RH** — Do you see the arrival of the US embassy as a pull factor to this area - does it suddenly make the whole locality a bit more of a credible place?

**RT** — Yes, of course. There's no getting away from the fact that the embassy of the most powerful nation in the world is going to bring a lot of people and raise the profile of the area further, and there are other embassies tipped to follow which will give Nine Elms even stronger credibility as an emerging diplomatic quarter. Given how close it is to Westminster that stands to reason.

As well as the US Embassy in some ways we feel we're also adding a bit of a North American atmosphere to the neighbourhood: Frank Gehry is one of the most famous living architects from across the Atlantic, and the project is going to have his only building in England, Prospect Place. In addition, Apple will underpin this even further.

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**Battersea Power Station is very well placed to weather the storms. Firstly, I trust London will continue to be seen as one of the world's safer havens – that's more or less regardless of how things play out over the next few years**

**RH** — What do you think are the biggest market challenges to BPS in the next 5-10 years? Why do you think BPS is particularly well placed to meet them?

**RT** — There are the known factors such as the 2014 change to Stamp Duty, which has impacted the whole industry. Nevertheless, despite the well-publicised headwinds in the residential property market; we have, so far, withstood this downturn better than others and continue to sell new homes.

Then there are what people call the 'known unknowns'. Brexit is happening but we don't know what the result will be. That is the huge benefit of a long-term, mixed-use project like this. We have the ability to ebb and flow with the market. For example, if the residential market is poor, we can build more offices and vice versa.

I therefore believe Battersea Power Station is very well placed to weather the storms. Firstly, I trust London will continue to be seen as one of the world's safer havens – that's more or less regardless of how things play out over the next few years.

Secondly, Battersea Power Station will remain a very strong proposition. There is nowhere else that has the same combination of location, density, heritage, mix of uses, amenities and infrastructure. And there aren't many schemes anywhere, let alone in London, with the sort of solid backing and knowhow that our Malaysian shareholders bring to the project.

It won't be easy or simple: developments as large and complex as this never are. But I have no doubt that we will deliver the plan, and with it an exciting new town centre for London. 🏡



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We founded District as a solution to the threat that landlords face, keeping up with the rapid changes of an increasingly digitalised world. In addition we see increasing demands from both small companies and large occupiers around building services and office experiences

#### Coworking glitter

The toothpaste is out of the tube. Occupiers have got a taste for the minty fresh world of co-working, and they love it. Occupiers now expect 'next-level' user experience, community, design and flexibility from their space ...as standard.

Until very recently, traditional property owners have engaged with the co-working model by simply leasing chunks of space on long term leases to co-working operators. The hope has been that the co-working glitter will spill into the rest of their estate. This worked well – really well. However, as the co-working operators expand both footprint and deal size there is increasingly a realisation from developers that they are losing control, creating competition and ultimately missing a trick.

What if developers could harness the latest platform technology to create a more engaging user experience – their very own blend of co-working glitter? Enter District Technologies.

# TRENDING

## District Technologies



By Adam Egan,  
Partner, Occupier  
Representation  
Twitter: @ProperCity

Adam Egan talks user experience, community and co-working with District Technologies founders Vanessa Butz and Patrick Morselli at Chiswick Park.



### Genesis

District Technologies is the brainchild of Vanessa Butz and Patrick Morselli. There is impressive pedigree here. Among other ventures, Vanessa launched Factory in Berlin and founded Interchange in Camden. Meanwhile Patrick was Head of Global Expansion at WeWork, and previously Uber.

'We founded District as a solution to the increasing threat that landlords face of becoming low margin profit providers to the WeWork's of the world. In addition we see increasing demands from both small companies and large occupiers around building services and office experiences', says Butz who was recently nominated for the EG Rising Stars Award 2017.

### Rent to Relationships

The aim of the business is to help landlords to move from 'rent to relationship'. The vehicle for achieving this is a mobile app that 'connects users in the building with the things they love', centered on the users working experience, the platform is multi-faceted. At its heart is the creation of a digitally linked community, providing opportunities for networking, events and education. It also serves as a medium to buy services, food and drinks, manage the allocation and booking of space, control ambient conditions, and provide powerful data on building utilisation. The platform is not just technology, but also human. District initially provides deployment managers in the set up phase to support landlords and tenants with onboarding the app and help them to connect with each other.

### How does it help?

'Occupiers are no longer satisfied with forcing their visitors to queue at reception and then have their name written down on a piece of paper just to enter the building. That's five minutes of every meeting that you never get back – imagine the months of your life wasted!'

'It is the amenities as much as the location of building which drive talent retention. We like to say that District creates 'vertical footfall' by connecting retail tenants to the office occupiers upstairs through the platform allowing users to order lunch, laundry or a yoga class and pay for it with the click of a button, even if the building is lacking amenities. Do you really need to invest in a large gym in your building if there is one just around the corner?'

'Last but not least, the amount of tenants in large buildings or campuses who do not know their neighbour companies is staggering. One of our partners recently told me that they were clients of another company for over a year before they realised they were in the same building! Why should only small companies benefit from information exchange, synergies and business opportunities in co-working spaces? We believe that connecting communities (no matter how different they are) will be a commercial imperative for landlords looking forwards'.

“**This allows landlords to increase their customers' awareness of the value that they are providing which in turn can lead to the creation of brand loyalty and ultimately, stickier income**”

### Client proposition

In a nutshell, District 'upgrades real estate assets into supercharged connected communities' allowing people to work more efficiently and more effectively.

Fundamentally, the District name stays in the background, allowing landlords to create a bespoke brand for their buildings. This allows landlords to increase their customers' awareness of the value that they are providing which in turn can lead to the creation of brand loyalty and ultimately, stickier income. And it seems to be working. 'In a short time, we have built up a strong client base of progressive landlords who see the value in what we're proposing such as Enjoy-Work here at the 9,000 person Chiswick Park. The next year is going to be exciting!'



### Final Thought

The absolute focus on the end user – from providing an outstanding experience to lease flexibility – perhaps represents the greatest legacy of co-working on the commercial market and it is forcing all property owners to raise their game and create points of difference. Having seen first-hand how consistently engaged London's property owners have been to the District proposition I am more convinced than ever at the scale of the potential for growth in this space. If the technology and content is on point then the users will adopt it and become engaged with their building, their neighbours and perhaps even their landlord! At a time of such change and intense competition, the opportunity to get closer to your rent-paying customers can surely only be a good thing for property owners. 📈

Follow District Technologies: @get\_district





Simpson's Tavern, London's oldest chophouse



PAST, PRESENT, FUTURE

## Eating Out in London

*'The man who can dominate a London dinner-table can dominate the world,'* said Oscar Wilde referring to London's supremacy in business matters. However, what of the dinner table itself? Reflecting its international status, modern London offers a smörgåsbord of eating out options to suit all tastes and budgets. However, this wasn't always the case. As social and technological innovations usher in a new era for the restaurant, Richard Pickering looks back at what was, and Matt Ashman looks forward to what might be.



By Richard Pickering, Head of Futures Strategy and Matt Ashman, Partner, Leisure & Restaurants

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The first national censuses did not count people or houses: they counted hearths, as every medieval home had one



The foundations of London's culinary diversity can be traced back to 55 B.C. when the Romans first arrived in Britain. It would be easy to think that our generation invented street food, whereas the haul of oyster middens found in any archaeological dig in London tells a different story. For the Romans, who also brought taverns to London, eating out was par for the course, whether you were snacking on salted peas at the amphitheatre, enjoying a pork sausage after a hard day in the Roman baths or drinking in a Roman tavern to wash away the taste of salted fish. Of course, the reason that street food played such an integral part in Roman life was the simple fact that owning a kitchen was a luxury that the common man could not afford.

The peasant kitchen first started to emerge in medieval times. Every family would have a central hearthstone upon which to cook. Interestingly, the first national censuses did not count people or houses: they counted hearths, as every medieval home had one.

An influx of Norman immigrants following 1066 brought new trends for high society. From this point onwards we hear less of the Anglo-Saxon mead-hall; we were a wine drinking country now. However, the Norman invasion meant little for the London's peasant class, as their eating habits and everyday life remained broadly the same. Meat was still out of reach for many and the animals that were reared were far too precious to be eaten. However, evidence shows that there was an emergence of an elite food culture in which different meats were being cooked and prepared with new flavourings. It was this privileged portion of society that conjures modern imagery of medieval banquet halls filled with feasts of exotic animals.

As this was the final time that England would be invaded, influences on the London diet would now come from merchants bringing back produce from far flung locations or from immigrants arriving in England; London often being their first port of call.

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The earliest resemblance of a modern restaurant scene in London emerged in Soho around 1685 when the first wave of Huguenot immigrants arrived

With London being a major hub for both merchants and immigrants it wasn't long before the city was bustling. The earliest resemblance of a modern restaurant scene in London emerged in Soho around 1685 when the first wave of Huguenot immigrants arrived. These eateries were known as French Ordinaries and provided fixed-price meals. Just 33 years prior to this, the first coffee-house was set up in the City of London by Pasqua Roseé, who had acquired a taste for the drink whilst serving for a British Levant merchant in Smyrna, Turkey. It is reported that Roseé sold over 600 coffees per day from his stall in St Michael's Alley. Those who work in the City might recognise its reincarnation as the Jamaica Wine House, having since swapped coffee for ale, and as being adjacent to Simpson's Tavern, London's oldest chophouse.



The Jamaica Wine House, originally a coffee shop



600

Medieval peasant kitchen emerged



1602

First coffee house in City of London

55bc

Romans first arrived in Britain



1066

Norman invasion - our wine consumption increased



The attraction of the coffee-house was that for a penny you could catch up on the news across the world and converse with like-minded individuals on any and all topics from the abolition of slavery to matters more trivial. Whatever the topic, all that mattered was that you were talking. Conversation was the lifeblood of the London coffee-house. Naturally, a conversation about London coffee-houses cannot be made without making reference to Lloyd's on Lombard Street; which became the foundation of London's insurance industry.

The East End became the natural home for successive waves of immigrants and hence a literal melting pot of foodie innovation. If you walked down Brick Lane in the 18th century you could have feasted upon a beef bourguignon from the Huguenots, whereas in the 19th century you could have warmed up with a Jewish chicken soup and matzo balls. From the 20th century you can now spice up with what has since become a national

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If you walked down Brick Lane in the 18th century you could have feasted upon a beef bourguignon from the Huguenots

dish, the chicken tikka masala, reflecting London's new commonwealth ties. Brick Lane is perhaps the best example of how the cuisine of an area epitomises the various communities that have called it their home. For a prime example of how the area has changed, look no further than the building at 59 Brick Lane. It has been a Protestant chapel, Synagogue and now a Mosque.

During the past century, London saw rationing and a growing middle class that stockpiled tins of spam in growing larders. Lacking some of the more exciting dishes of the Mediterranean, the UK developed a poor reputation for food. Some have attributed this to having less of a need to disguise bad meat with flavoured sauces than some of our continental counterparts. However, undeniably, for most of the late 20th century the UK was the laughing stock of the culinary soup. As recently as 2005, Jacques Chirac commented, 'One cannot trust people whose cuisine is so bad'. However, even when he made it, this



## 1898

Brick Lane was famous for Jewish chicken soup and matzo balls



## 1997

First Yo! Sushi opened in Soho



## 2013

Deliveroo app launched in London



## 2020+

Automation and robotics the future of the restaurant industry?

statement surely reflected what was already a bygone era.

Modern London, now home to over 270 nationalities and 300 different languages, stands near the top of the global list for foodies; certainly for diversity, if not quite reaching NYC's heights for grandeur and experience.

That being said, the future of London dining has the potential to look very different. As time comes at more of a premium for Londoners and we spend more hours working, restaurant owners are looking to new ways of providing fast, affordable and consistent food to their customers. Traditionally, hospitality owners have been able to maintain lower operational costs through the use of non-British employees. However, with Brexit looming and 38% of London's hospitality staff being from European countries, restaurateurs have expressed concern. As with most things, London's strength is that it has embraced the best global trends, rather than necessarily inventing its own. 48% of our food is imported, and this presents further pricing challenges.

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London's strength is that it has embraced the best global trends, rather than necessarily inventing its own

Automation may have a role to play in reducing costs, and lifting experience. Yo! Sushi might seem like a gimmick, but beyond conveyors, we are adopting other eastern trends such as Keuken's vending machine meals and Café X's robot baristas. Meanwhile the huge rise in delivery apps, provides ways to enjoy restaurant quality meals in the comfort of your own home. Whether this creates new customers or cannibalises existing revenue and margins remains to be seen. Either way, the proliferation of deliveries, requires new and better ways to manage both the interface with the restaurant, and also the way in which the product arrives in your managed block.

New service models reflecting our fast-paced life are also emerging. These range from the high velocity grab and go lunchtime style offered by Pret, to the counter-order services promoted by Nandos and GBK. Whilst presented as putting the customer in charge, does this really mask resourcing shortfalls behind a casual appearance?

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We are  
adopting  
other eastern  
trends such  
as Keuken’s  
vending  
machine  
meals and  
Café X’s  
robot  
baristas



Café X's robot baristas

Beyond the restaurant itself, dining serves a role in placemaking, with developers across the capital using eating out to create vibrancy and footfall. This ranges from traditional restaurants, to orchestrated street-food and markets, and a growing shift back to food-hall style offerings. Furthermore, with increasing numbers of residents choosing where to live, based on the Trip Advisor ratings of local restaurants, this is an opportunity not to be missed for housebuilders.

Looking forward, it feels inevitable that property companies (themselves moving downstream into service provision) will increasingly take financial / shared risk positions in restaurants, recognising the correlation between

the success of these activities and that of their wider estate.

London's dining out industry has gone through a period of flux, and we should expect further dynamism. Looking beyond the short-term disruption caused by Brexit, there are big societal shifts which play towards the sector. As homes become smaller and working hours become longer, the push to eat out is greater. Rather than being the great unknown, some of the trends we see in today's and tomorrow's market have echoes in the past; for instance our Roman street food, and the use of coffee shops and restaurants as business venues. Above all, the lesson from history is that we should celebrate and promote the diversity of our offering. 🏠



Each quarter we take you into one of London's villages. This time our mystery man-about-town showcases the best of the Northbank

# Northbank

Sorry, where? What is the Northbank? The Northbank of what? The Seine? This is the traditional response from the majority of the property industry who remember this area of London as a downtrodden, unimaginative and tired part of town. However, in reality you couldn't be more central. Covent Garden to the north, the river Thames to the south and St James's to the west. Any Londoner (or indeed international traveller) worth their salt knows this area is on the up, and has been for some time, with new and exciting developments, new occupiers and restaurants and the local Northbank Business Improvement District, the pace of change is happening fast in this once forgotten quarter.



TRAFALGAR SQUARE

Home to the National Gallery (keep an eye out for Monet & Architecture in April 2018 if you like lilies) as well as Nelson's Column and four angry lions made from melted cannon. Somewhat amazingly, Westminster put on F1 Live this year which featured Vettel and the gang throwing donuts and burning rubber. More traditional upcoming events include Africa on the Square, Carols on the Square, and St Patrick's Day on the Square. The Square remains a centre for democracy and national protest, so you will probably be seeing a lot more of it on TV in 2018. You can't really classify yourself as a true Londoner if you have not seen in the New Year or been to a protest in the square...



KINGS COLLEGE

Having originally located in this neck of the woods in 1829, the college recently expanded to take additional space in four iconic buildings in the Grade II listed Aldwych Quarter, bringing new life in the form of brainy young international students to the area. Keep your eyes peeled for the next John Keats, Jo Brand, Desmond Tutu or Robert Swinhoe (an ornithologist for those not up to speed on birdwatching) knocking about locally and bringing a much-needed vibrancy to the area.



SOMERSET HOUSE

Two facts: 1) not in Somerset; and 2) not a house. Nothing like my house anyway. Somerset House can be enjoyed in various ways, but my favourite is to sit in the courtyard on a summer's afternoon, enjoying the sunshine and eating an organic pistachio flavoured ice cream. But there is more to it than this. The site has an amazing history, even before architect Sir William Chambers designed the current buildings in 1776. Little did he know that he had built a structure which would later be used as an ice skating rink at Christmas and the Somerset House Summer Series hosting the likes of Damian 'Jr. Gong' Marley, Warpaint, and Four Tet as well as showing films such as Jaws on the outdoor cinema screen.



THE DELAUNAY

OK, so it's been an architecture and history-filled Village Life this issue. Sorry about that. The Delaunay is one of a myriad of high quality restaurants springing up in this part of town. This is Corbin & King at what they do best. Green leather seats, black and white marble and a brasserie based menu serving everything you could possibly want. A great place to take your Mum for afternoon tea as an alternative to The Wolseley. If you need a little pick me up afterwards, head to The Fleet Street Press for a proper (artisan / hipster / organic / home-brew / [insert more millennial buzzwords here]) coffee served by some heavily tattooed (probably) baristas.



A BOAT

It's not quite Venice, but jumping on a boat ride at Embankment Pier is something that most Londoner's have not done. Wrap up warm and take a ride under Tower Bridge, before coming back and taking in the various buildings from the City tower cluster, past Temple (look out for some unusual head gear from the locals...) and then slowly take in the amazing architecture of 'the big ones': Somerset House, The Adelphi, and Devonshire House. They don't build them like that anymore. Northbank is a handsome part of London set against an unruly backdrop of historic buildings and somewhat dubious planning decisions.



COVENT GARDEN

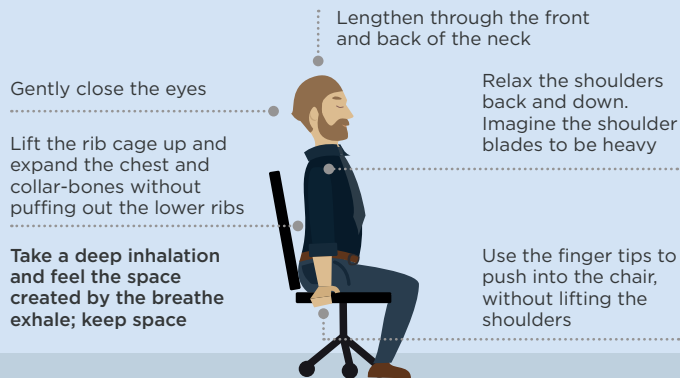
A 5-minute walk from Trafalgar Square, Covent Garden is often considered a tourist destination. That is an unfair and uneducated view, and one which Shaftesbury and CapCo are working hard to change. Digging deep into Covent Garden away from the bustle of the piazza and you can walk home with a new skateboard from Palace Skateboards, a fresh bunch of flowers from Petersham Nurseries, and a new wetsuit from Finisterre following an up close and personal theatre performance at the 251-seat Donmar Warehouse theatre. I once saw Tom Hiddleston hanging upside down here, dripping blood and screaming in my face whilst performing Shakespeare's Coriolanus. Beats the ballet any day of the week.

# Wellbeing at your desk

As part of our commitment to wellbeing and mindfulness, we bring you *Six Steps to wellbeing at your desk* from Open Minded Fitness Group.

1

## Take some time to breath



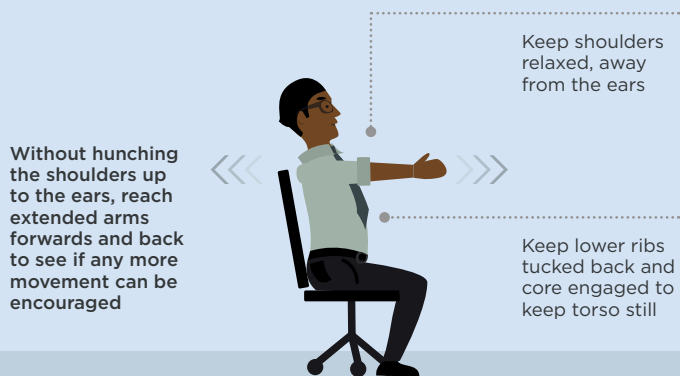
2

## Be aware of your core



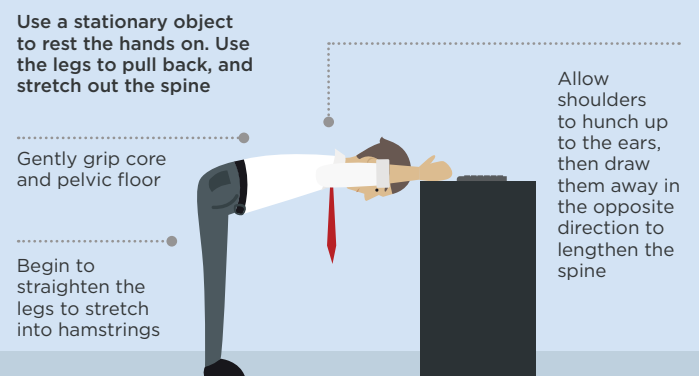
3

## Reclaim your shoulders



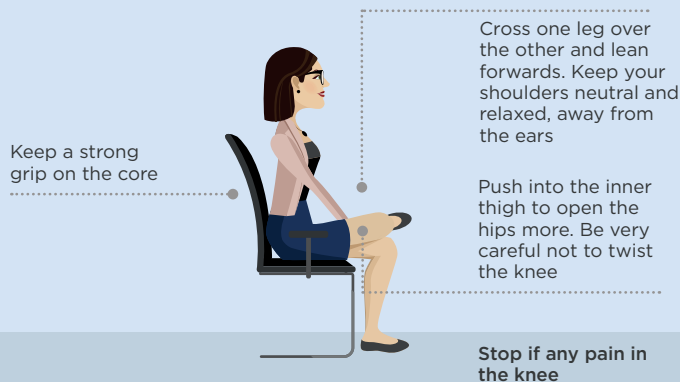
4

## Lengthen the spine



5

## Loosen the hips and groin



6

## Do the twist

