

STATES OF JERSEY



ESPLANADE QUARTER, ST. HELIER: MASTERPLAN – RESCINDMENT (P.97/2008) – COMMENTS

Presented to the States on 1st July 2008
by the Council of Ministers

STATES GREFFE

COMMENTS

The Council of Ministers is firmly of the opinion that this Proposition should be rejected in its entirety.

The Report states that this “Proposition seeks to pull us back from the precipice.” Rather, it is the contention of the Council of Ministers that this Proposition, if adopted, would seriously damage the ability to achieve the best possible benefit and value from the development of the St. Helier Waterfront.

This report addresses 3 issues –

- (1) the Masterplan (Part (1) of the original Proposition);
- (2) the decision to transfer land to create a consolidated land holding in order to allow the Masterplan development to proceed; (Part (2) of the Proposition); and
- (3) the deal with Harcourt (which is independent of the Proposition and will be subject to a full and thorough evaluation by WEB and the Minister for Treasury and Resources).

It is structured in this way because the report by Deputy Baudains conflates the land transfer and the Harcourt deal, when in fact they are separate issues. Whether Harcourt pass all of the tests required before they undertake the development is a separate issue from whether it is appropriate to create a consolidated land holding.

The Council of Ministers has promoted and will continue to promote the Masterplan as the most effective means of developing the remaining elements of the Waterfront in order to create maximum benefit for the Island. This view was shared by a considerable majority of States Members and there has been no change since the debate which should bring this into question. If States Members continue to support the Masterplan then paragraph (2) of the original Proposition is necessary in order to create a single land holding and allow the final developer to undertake the scheme with all of the public and commercial elements in place. Therefore the Council of Ministers asks the Assembly to reject the rescindment motion and to allow the scheme to proceed.

A rejection of the rescindment motion by the States does not mean that Harcourt will necessarily pass all of the tests which they would be required to meet in order to secure the final right to develop the scheme. The original report included a synopsis of the Harcourt deal in order to demonstrate that the Masterplan is commercially viable and will deliver significant financial benefits which could be reinvested in regenerating the town and adjacent urban areas. Whether Harcourt are the final developer will depend upon them satisfying all of the requirements in the Heads of Terms and the Development Agreement. It will be for WEB to undertake all of the necessary reviews and for Harcourt to satisfy them that they have the necessary funding and watertight guarantees in place which provide sufficient protection to ensure that the risk to the public of the Island is reduced to the absolute minimum. WEB will then have to satisfy the Minister for Treasury and Resources that they have undertaken all the necessary due diligence before he will be willing to agree that the deal with Harcourt proceeds. Should Harcourt fail to meet all of these requirements then an alternative developer would have to be chosen after the necessary tender process. However, States Members have indicated that they want to know more about the nature of the Harcourt deal, and in particular the nature of the security offered, hence the section on the Harcourt deal.

Part (1) – Masterplan

Before considering the detailed reasons why the Masterplan should not be rejected, it is worth noting that the original Proposition was agreed by a considerable majority of States Members, who were clearly convinced by the design and quality of the scheme. Nothing has changed to bring that decision into question, and therefore Members are asked to once again show their support for the Masterplan by rejecting the rescindment proposition.

The Report questions why the original Proposition (P.60/2008) was divided into 2 parts. Part (1) concerned the Masterplan whereas Part (2) related to the financial framework for the delivery of the Masterplan. The Council of Ministers decided that different parts of the proposal fell within the remit of different Ministers and, following the receipt of advice from the Greffier of the States, it was decided that the best way to allow different Ministers to present separate parts was to lodge the Proposition in the name of the Council as a whole rather than in the name

of one Minister.

As a result, the Minister for Planning and Environment was able to act as Rapporteur for Part (1), while the Chief Minister acted as Rapporteur for Part (2). It would have been inappropriate for the Minister for Planning and Environment to have dealt with the financial aspects, and equally inappropriate for the Chief Minister to have presented the planning proposals.

The Council of Ministers rejects the contention that States Members should have been offered alternative designs using a modified Esplanade. The process of developing masterplans or developing Supplementary planning guidance (planning policy) rests with the Minister for Planning and Environment, not the States Assembly. It is normal practice for the Minister to develop and adopt a masterplan, or develop policy or development guidelines, without recourse to the States.

The public were consulted widely and the Environment Scrutiny Panel was fully engaged as part of the process of developing the Masterplan. The issues raised by all parties were carefully considered and the subsequent Masterplan that was brought forward reflected this input which the Minister for Planning and Environment considers to be the best development brief or Masterplan for the Esplanade Quarter.

Given the importance of the Masterplan, and mindful of his commitment to bring the Masterplan to the States given as part of the consultation process, the Minister chose to present it to the States requesting their “endorsement” of his intention to adopt the Masterplan. It would be inappropriate to present a variety of different masterplans to the States and ask the Assembly to choose which one they considered to be suitable. This is not the proper method for the Minister for Planning and Environment to carry out his duties.

The Proposition questions whether alternative plans for the Waterfront, which did not include a sunken road, should have been pursued. When the Minister for Planning and Environment came to office in December 2005 there were 2 schemes, both of which retained the road. In the Minister’s address to the house on the 3rd June 2008, a summary of the disadvantages of these schemes was provided. The schemes retained the existing 6 lane highway with all the destructive separation that it brings to the town and the Waterfront. They suggested buildings of up to 12/15 stories high in places with restricted and poor areas of open space that were not usable during inclement weather. The Minister for Planning and Environment was not prepared to settle for compromised schemes that did not contribute in the widest possible way to the benefit of the Island and its residents. The Council of Ministers fully supports the Minister for Planning and Environment in his determination to derive the maximum possible benefit for Islanders from the successful development of the St. Helier Waterfront.

The report queries whether it would be possible for the public to receive extra funds if the sunken road were not included in the Masterplan, thereby removing its cost to the developer. However, the lowered road paid for by the developer at no cost to the States is only deliverable because the space created above can be built on and the value of the space created above pays for the cost of lowering the road. If the road is not lowered, the extra space will not be created and therefore no extra money will be created for the States.

Part (2) – Land Transfer

The Proposition asserts that the perceived “problems” surrounding Part (2) of the Proposition (P.60/2008) are “potentially more serious.” It is important, therefore, that these concerns are addressed individually and comprehensively. The Council of Ministers believes that the Report’s contention that the debate represented “possibly the biggest decision ever taken by the States being made on information that was either absent or seriously misleading” is unfair and does not accurately reflect the nature of the decision that was asked of States Members.

In accordance with the agreed separation between WEB and the States of Jersey, the purpose of the debate surrounding P.60/2008 *Esplanade Quarter, St. Helier: Masterplan* was not to validate the choice of Harcourt as the preferred developer for this scheme. Instead, Part (2) of the Proposition asked States Members to agree the exchange of land between WEB and the States so as to enable a consolidated, developable land holding to be created. The information provided on Harcourt was to allow States Members to understand the commercial deliverability of the scheme and the significant financial returns it offers to the Island. As a result, the associated

Report was not, nor intended to be, considered as a full and comprehensive evaluation of Harcourt. It is therefore inaccurate to suggest that States Members were provided with insufficient information to make the decision that was asked of them.

The Report and Proposition would seem to ignore the fact that the States has agreed and implemented the devolution of certain responsibilities to the Waterfront Enterprise Board (WEB), as defined in P.156/1995 and, subsequently, in P.45/2002. Under the terms under which it was established, WEB has to procure Planning approval for any developments that take place on the sites for which it has responsibility. It also needs to obtain the approval of the Minister for Treasury and Resources for any sale of land that the company enters into, whether it is a freehold sale or the disposal of a long leasehold. It is clearly the responsibility of WEB, as a development agency of the States, to co-operate with relevant government departments in order to achieve the best possible value for Islanders from the development of the St. Helier Waterfront. One of the fundamental reasons behind creating WEB was the recognition by the States that the Assembly is not the appropriate body for determining the selection of a particular developer. The Council of Ministers believes that this division of responsibility is important and must be preserved.

The original report on the Masterplan explained why it is necessary to consolidate the land in order to create a package on which any developer could build the whole scheme, with the developer being responsible for the road and all public works. This approach will ensure that it is the developer who is responsible for the work and who will have to manage all of the risks which would otherwise fall to the States. That approach represents a sensible and valid structure which should minimise risk, whilst allowing WEB on behalf of the States to receive significant fixed payments and share in the development profits.

The process by which the Harcourt deal was evaluated has been reviewed by Scrutiny, who considered the process to be appropriate. Should Harcourt pass all of the outstanding checks and due diligence then they will have demonstrated their ability to undertake and deliver the scheme in accordance with the Masterplan. Should they fail then another developer will be chosen. The section on the Harcourt deal sets out in more detail the nature of the guarantees and the key elements of the Development Agreement that have been negotiated in order to safeguard the Island's interests. If Harcourt were to fail to secure the final development rights, for any reason, then it is expected that similar requirements would be expected of any other developer. Whether such good terms could be secured would depend upon the state of the market and the appetite of developers at that time.

In any event it is appropriate to outline the basis of the assessment that has been undertaken by WEB and the requirements that are expected of any developer of this scheme. These are –

- A thorough Financial Capacity Audit by an independent adviser such as that currently being commissioned by PwC into Harcourt (to include a review of latest published financial information and a more in depth review of management accounts and current and future developments and liabilities).

The PwC review will have the following Terms of Reference –

1. Based on information provided by the Client and information obtained from Developers management team, summarise and comment on the Developers:
 - Corporate structure and principal activities;
 - General business strategy; and
 - Strategic position in relation to the Client and the proposed development.
2. Summarise and comment on the most recent credit reports and publicly available information in respect of the Developer.
3. Summarise the structure and financing of the proposed Development.
4. Understand the Covenant offered to the Client by the Developer by summarising and commenting on the Developer's audited accounts as at 31st December 2006, draft audited accounts as at 31st December 2007 and the [last management accounts date], specifically:

- trading performance including the different revenue sources of the Developer;
- fixed assets and property including a desktop review of any current professional valuations and development appraisals obtained by the Developer or its funders;
- banking arrangements and loan facilities;
- provisioning, creditors, including accruals and extent of overdue creditors;
- contingent liabilities.

Based on discussions with the Developer's management, summarise the following:

- any off balance sheet financing arrangements;
- corporation tax position;
- pension schemes and funding position; and
- contingent liabilities and bases of assumption.

5. Comment on the Developer's profit and loss, cash flow forecasts for 2008 to 2010, concentrating on:

- methodology used to prepare the forecast(s);
- principal assumptions and their vulnerability; and
- sensitivity analysis in the event of material variations in key assumptions.

6. Comment on the main options available to the Client in respect of its strategy relating to Developer.

7. Review and comment on current 'live' development projects to assess Group's exposure.

- Investigation by WEB's lawyers of any material outstanding litigation or claims.
- Confirmation from a bank that it will provide the developer with finance to undertake the development of Esplanade Quarter.
- Agreement of a form of guarantee to reduce to the minimum the risk that the development fails to be completed to the pre-determined quality, in accordance with the plan, to the set timescale and to include all of the public and commercial elements. Once that has been agreed it will need to be backed by an independent bank or insurance company to cover the terms of the guarantee.
- A full legal review of the terms of the agreement and any associated guarantees.

Once WEB has completed all of these checks and satisfied itself that it has a developer of sufficient standing, and backed by finance and guarantees, it will have to satisfy the Minister for Treasury and Resources before completing the final agreement with that developer.

WEB is currently completing these checks of Harcourt but they have not been completed and therefore no final commitment has, or will be made until both WEB and the Minister for Treasury and Resources are satisfied. The Council of Ministers is satisfied that this process is sufficient to ensure that the interests of the States and the public of the Island are protected and that, therefore, the rescindment of Part (2) of the Proposition should be rejected.

The Council of Ministers therefore firmly opposes both elements of the Proposition as, if adopted, it would seriously hinder the Island's ability to achieve the best value from the development of the St. Helier Waterfront.

The Harcourt Deal

The following section sets out in more detail the nature of the deal with Harcourt, the securities sought and offered, and the outstanding investigations that are being undertaken in order for WEB and the Minister for Treasury and Resources to decide whether the deal with Harcourt should be completed. As previously stated, this is separate from the decision on land transfer and should not be conflated with that decision.

WEB has taken a wide range of advice from independent and professional experts. This advice has indicated that Harcourt represents the best commercial deal for the development of the St. Helier Waterfront. The original Esplanade Square site development was awarded in 2005 to Harcourt Developments Limited after an open and competitive process and became WEB's preferred developer. Harcourt won the process on the basis of the quality and value their submission would deliver.

Harcourt have numerous substantial developments in Ireland, the Caribbean and London, amongst other places. They are a major international developer with substantial financial backing and are currently working on more than 100 projects in 11 different countries. All of the professional advice the Council of Ministers has received indicates that the arrangements with Harcourt present the best value in implementing the Waterfront Masterplan. Further information on the Harcourt portfolio of developments is included at the Appendix.

Concerns have been expressed in the Proposition and in the media about Harcourt. WEB has responded by accelerating measures to ensure that legal and financial due diligence checks are undertaken. It was always WEB's intention to ensure that these checks would be completed prior to entering into a Development Agreement with Harcourt. There was never any question of WEB entering into a Development Agreement without further assessment of Harcourt. WEB has stated that it will be undertaking the following further due diligence checks prior to entering into a Development Agreement with Harcourt –

- Update of the Financial Capacity Audit (to include a review of latest published financial information and a more intrusive review of management accounts and current and future developments and liabilities).
- Confirmation from a bank that it will provide Harcourt with finance to undertake the development of Esplanade Quarter.
- Agreement from a bank to the issue and form of the £95 million guarantees.
- Investigations into any pending and current material litigation.

As identified above, WEB has commissioned PricewaterhouseCoopers to undertake a further assessment of the financial capacity of Harcourt. If further assessments indicate that Harcourt is not suitable to undertake the development of the Esplanade Quarter, then no development agreement with Harcourt will be signed and the contract will be put out to tender. The Council of Ministers has every confidence in WEB's ability to oversee the execution of robust due diligence checks that will ensure that the Island's interests are fully protected. At this stage, however, all of the professional advice the Council of Ministers has received indicates that the arrangement with Harcourt presents the best value in implementing the Waterfront Masterplan.

The Proposition questions what impact the case against Harcourt will have on the Esplanade Quarter development. WEB has commissioned Carey Olsen to investigate the legal cases in both Nevada and Dublin. Harcourt have publicly stated that the Nevada civil action: 'will have no effect on our work in Jersey, or our ability to finance that work whatsoever.' The Council of Ministers has every confidence that the measures undertaken by WEB will ensure that Jersey's interests are protected.

Measures have already been taken to respond to the concerns expressed in this Proposition about the availability of background information in support of the Masterplan. The Proposition implies that because a report from the Economic Advisor to the Council of Ministers regarding the economic impact and effect of the Waterfront proposals on St. Helier was withheld, important information needed for the debate was not available. This is simply not the case. The Economic Advisor's report was a validation of the 2006 PricewaterhouseCoopers report on the then Masterplan. As such, States Members were not deprived of any significant information that might have affected their decisions, as is implied in the Proposition. Furthermore, a summary of the Economic Advisor's

report was made public when it was sent to all attendees at the Waterfront forum on 4th March 2006. In short, the Council of Ministers rejects the suggestion that information provided to Members was “deplorably incomplete”.

In response to the questions in the Proposition relating to financial guarantees, States Members should be advised that WEB has always required under the Heads of Terms that a guarantee of such strength that the interests of the Island will be protected. To quote the relevant clause within the signed Heads of Terms: “The Developer will be required to procure the giving to WEB of a guarantee in respect of the Developer’s obligations under the Development Agreement to make the payments [totalling £50 million] together with £45 million in respect of the costs of establishing the Road System, the Guarantee to be given by a bank or insurance company which is acceptable to WEB and to be in terms acceptable to WEB. The Guarantee shall guarantee the payment to WEB on the due date of each of the payments... the liability under the guarantee shall reduce following each payment having been made... and shall also be reduced to the extent that the costs to complete (as determined by an independent surveyor) and the delivery by the Developer of the Road System reduces below £45 million.”

In the ‘*Summary of the financial terms of the proposed development of Esplanade Quarter*’, which was included as Appendix 4 to P.60/2008, the following statement was made: “The terms of the development agreement the Board proposes to enter into with the Developer include various remedies available to the Board if the Developer was to commit certain types of default. The development agreement will require the Developer to complete the development within a certain timeframe and the Board will have step-in rights (subject to any funder’s prior right to do the same) to complete the development should the Developer fail to do so in accordance with the terms of the development agreement.”

In the debate on Part (2) of P.60/2008, the Chief Minister felt that it was appropriate to share more details with States Members in order to provide reassurance and answer their questions about the financial guarantees.

In relation to concerns raised about the proposed changes to the road system, it must be emphasized that the developer will fund and procure the construction of the tunnel which has a cost ascribed to it of £45 million. If the costs of the construction of the tunnel and associated road works exceed £45 million, these costs will be borne by the developer. The Heads of Terms further provide that the developer’s liability (as supported by the £45 million bank guarantee) shall only be reduced to the extent that the approved cost to complete and deliver the road system reduces below £45 million, as determined by an independent surveyor and irrespective of any costs already incurred. The agreed deal therefore ensures that the project is completed at minimal risk to the States, whatever happens.

Under the terms of their agreement WEB will receive a guaranteed base payment of £50 million from Harcour backed by an independent £50 million bank guarantee. It is estimated that the development of the Esplanade Quarter will take up to 10 years; this 10 year period is limited to this in the Development Agreement, and also links to a third guaranteed payment period (92 months). The Development Agreement provides that the Developer must complete the tunnel and road works within 36 months and the 520 public car parking spaces within 47 months of the lease transfer date. If either of these dates are not achieved or the entire development is not completed by 31st December 2018, WEB could commence proceedings to recover the site and call on any outstanding guarantees.

The payments, £8 million after 47 months, £31 million after 68 months and £11 million after 92 months from lease date will be guaranteed by independent banks or insurance companies. In the event that the Developer fails to make these payments under the agreed timetable, WEB will have the ability to recover the site and reclaim any outstanding guarantees in compensation.

The Developer will also be in default if they do not comply with the Masterplan or the design codes, the approved plans, the agreed usage schedule, or the Highways Works Agreement. In the event of default, WEB is able to take action against the Developer to either remedy or recover the site and any outstanding guarantee amounts. In short, the Development Agreement provides WEB with significant step-in rights so that if Harcour do not meet their obligations under the terms of the agreement, WEB can step in and complete the development to the required standard. In summary, the Council of Ministers assures the States that should Harcour not comply with the terms of the agreement or complete the development WEB can call on the full guarantees for up to £95 million and also take back the leasehold interest.

WEB is working with Harcourt to fully define the nature and form of the financial guarantees for the Esplanade Quarter site. The financial guarantees relating to the development of the Esplanade Quarter site are likely to be similar to the Bank Guarantee given by Bank of Scotland (Ireland), which is already in place for the Liberty Wharf scheme. The beneficiary is WEB in that if the developer defaulted, WEB has the right, without recourse to court action, to call on the Bank to meet the financial obligations.

In accordance with normal WEB practice, these guarantees will be reviewed by WEB's legal advisors, Carey Olsen. The Council of Ministers has every confidence that Carey Olsen will be able to safeguard the Island's interests in this matter. It is intended that any funds payable in the event of the developer defaulting on agreements would be at least sufficient to ensure the successful completion of the project.

Harcourt Portfolio**Large Scale Developments**

Park West Business Park, Dublin – Park West is Ireland's largest business park. The mixed-use 93 hectare (230 acre) business & residential campus comprises award-winning offices set in landscaped gardens populated by sculptures, water features and integrated leisure & retail facilities.

Jackie Kelley Fitness Centre, Park West Business Centre, Dublin – A 30,000 sq.ft fitness centre comprising a 20 m. swimming pool, state-of-the-art gymnasium & therapy suites in the centre of Park West.

Park West Pointe Apartment Homes, Dublin – Park West Pointe is the residential quarter at Park West. All 450 apartments sold out within days of launch due to above average sizes, high-spec finishes and competitive pricing. Best Residential Development in Ireland Finalist Irish Property Awards 2005.

Park West Industrial Park, Dublin – Over 232,255 sq.m. (2,500,000 sq.ft.) of industrial /distribution space is contained within Park West Industrial Park. The industrial park is in close proximity to Ireland's motorway network.

Titanic Quarter, Belfast – At 75 hectares (185 acres) Titanic Quarter represents one of the largest waterfront developments in Europe. Occupying the old Harland & Wolff shipyard in the centre of Belfast, the mixed-use Eric Kuhne designed scheme is jointly promoted and developed via a public/private partnership between the Belfast Harbour Commissioners and Titanic Island Ltd., a sister company of Harcourt Developments.

Carlisle Bay, Antigua – Carlisle Bay, on the south coast of Antigua, is the sister hotel to the award-winning One Aldwych in London. Set on a sleepy horse-shoe bay, the critically acclaimed hotel offers restaurants, a health spa, pilates pavilion and cinema. Hotel of the Year – Tatler Travel Guide 2005.

Citywest, Dublin – 40 hectares (100 acres) of development land adjoining Ireland's National Digital Park at Citywest in west Dublin.

Galway Shopping Centre, Galway – The largest shopping centre in Galway providing over 18,580 sq.m (200,000 sq.ft.) of retail space over 62 units. Anchor stores-Tesco and Penneys. Parking spaces – 750. Annual footfall – 5.2 million.

Letterkenny Shopping Centre, Donegal – Extended and refurbished in 2004, Letterkenny S/C comprises 11,705 sq.m. (126,000 sq.ft.) of retail space over 40 units. Anchored by Tesco and Penneys, it is the main shopping centre in Letterkenny.

Donaghmede Shopping Centre, Dublin – Located in a high-density residential area in North Dublin, Donaghmede S/C comprises 15,795 sq.m. (170,000 sq.ft.) of retail space in 65 units over two floors.

Longwalk Shopping Centre, Dundalk – The Longwalk S/C and Carrolls Village are located off Clanbrassil Street, Dundalk's main shopping thoroughfare. Anchored by Tesco and Penneys, Longwalk has 28 units extending to over 9,265 sq.m. (100,000 sq.ft.).

Portlaois Shopping Centre, County Laois – Located in the midlands, Portlaois Shopping Centre comprises 8,825 sq.m. (95,000 sq.ft.) of retail space over 34 units. Anchored by Tesco and Penneys it is the largest shopping centre in County Laois.

Killarney Outlet Centre, County Kerry – Ireland's first factory outlet centre extends to over 9,265 sq.m (100,000 sq.ft.).

Pearse Court, Athlone, County Westmeath – 48 apartments, 13 retail units and 100 car park spaces built c

Athlone's left-bank. ... The development involved the complete reconstruction of one side of the street.

National Car Testing Centre, Dublin – 2,300 sq.m. (25,000 sq.ft.) specialist building for the National Car Testing Centre at Northpoint Business Park, Dublin.

New Bond Street, London – Modernization of a corner office building with new services, ornamental plastering, wooden flooring and marbling throughout.

High Cross Centre Industrial Park, Tottenham, London – A former Basildon Bond factory, built before the First World War, was subdivided and refurbished into light industrial units.

Redcastle Hotel, Donegal – Situated on the beautiful Inishowen Peninsula, the Redcastle Hotel is bordered on one side by the waters of Lough Foyle and on the other by its own 9 hole golf course. It is a 64 bed hotel complex with an additional 24 private suites and leisure facilities including a golf course, thalassotherapy centre, nightclub all-weather funfair, gym, swimming pools and tennis courts.

Grand Central Hotel, Bundoran, County Donegal – Located in the northwest of Ireland, at the centre of the seaside resort town of Bundoran, the Grand Central Hotel consists of 62 bedrooms and an adjoining complex of 160 apartments overlooking the Atlantic Ocean, Donegal mountains and one of the best surfing beaches in Europe.

Grosvenor Road, Pimlico, London – A landmark five-storey apartment block in Pimlico, constructed by the Thames using deep-piled foundations.

Blyth's Warf, Narrow Street, London – Limehouse, East London – construction of sixteen 3 & 4 storey houses forming a terrace of alternating gabled and bow fronts on the Thames Works included piled foundations, reinforced concrete rafts and a new bridge providing public access to the river.

Residential Housing, Ireland – Over two thousand 3-5 bed new houses constructed in Northern Ireland (Carrickfergus, Derry, Donaghadee, Newtownards) and Donegal, Ireland (Fahan, Lisfannon, Rathmullen, Rosstown) since 1974.

Smaller Developments

Kent Terrace, Regent's Park – Kent Terrace, on the Crown Estate, was part of Nash's grand plan for Regent's Park. Four of these historic houses were renovated and upgraded in agreement with the Crown Commissioners and English Heritage.

Royal Crescent, Holland Park – Two derelict houses on London's Royal Crescent were rebuilt behind the existing façade to provide new flats.

Addison Road, Holland Park, London – A notable family dwelling on the Holland Park Estate, which had fallen into disrepair, was renovated and provided with an additional top-floor within a new roof structure.

Farm Street, Mayfair – Construction of this five storey house on a constricted site in Mayfair involved underpinning a modern office block on one side and supporting the adjoining listed 'Farm House' on the other. Polished ash staircases and mahogany doors feature throughout.

Kensington Gardens Square, Bayswater – This project involved the construction of a steel-framed multi-storey block of flats behind, and tied to, the listed façade.

Kensington Park Gardens, Notting Hill Gate – These mansion flats, with their distinctive art nouveau terracotta frontage, were re-roofed, cleaned externally and upgraded internally.

Philimore Gardens, Kensington – An early 19th century property was completely remodelled with the approval of English Heritage, since parts of the interior, notably the hardwood staircase and entrance hall, were listed.

Hans Place, Knightsbridge – Located between Harrods and Sloane Square, this six-storey house was modernized and decorated using in-house designers. Work included new kitchens; electrical, plumbing and heating services; full interior decorations; carpets and soft furnishings.

Argyll Road, Kensington – Full interior refurbishment and extension of a five-storey Victorian townhouse in a fashionable London location.

Linden Gardens, Chiswick – Five new town houses constructed on an infill site in West London. Constraints included a lack of working space on a confined site, party wall support and agreement requirements.