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London Earl's Court development faces legal challenge

By Kate Allen [Author alerts](#)

London's biggest development project, Earl's Court, is facing a legal battle after local elections brought opponents of the scheme to power.

The £8bn plans, drawn up by "starchitect" Sir Terry Farrell, involve demolishing two council estates and became Britain's most expensive planning application when the scheme launched in 2011.

It was backed by the local Conservative-led Hammersmith & Fulham Council, but the party unexpectedly lost control of the council in last week's polls.

The incoming Labour party, which has become the biggest local authority grouping, campaigned against the scheme in its election manifesto, promising to renegotiate the deal and protect council estates.

It has appointed Guy Vincent, former managing partner of City law firm Bircham Dyson Bell and a newly-elected Labour councillor in Hammersmith, to review a swath of property development contracts signed by the Conservatives.

Hammersmith and Fulham was seen as a flagship Conservative borough for policy making on property. The Conservatives signed several large-scale deals, including two with property developer Stanhope to redevelop the old BBC Television Centre and a number of council estates.

The redevelopment of the Riverside Studios arts complex was another scheme that was also opposed by Labour.

The Earl's Court project is backed by Hong Kong's Kwok brothers. Thomas and Raymond Kwok are co-chairmen of one of the world's largest real estate companies, Sun Hung Kai Properties. They are on trial in Hong Kong for allegedly bribing a top government official, charges they deny.

The developer, Capital & Counties, signed a conditional agreement to buy council-owned land – including the two council estates – in January, and has paid about £30m of the £105m total price agreed.

Capco has already been given initial permission from the council for its overall plan for the site, but detailed agreements have not yet been reached. This could give the new council members a strong negotiating position.

Local Labour MP Andy Slaughter called the plans "scandalous", saying the council should try to get better value from the deal.

Residents of the West Kensington and Gibbs Green estates have been campaigning to stop their homes from being demolished. Jonathan Rosenberg, a campaigner, said they were discussing how to challenge the developers' contracts with the new administration.

Keith Jenkins, a consultant at Devonshires Solicitors who is advising the campaigners for free, said there were a number of potential grounds for overturning the plans.

The first phase of housing on the Earl's Court site, Lillie Square, went on sale this year, and fetched up to £1,880 per square foot. Of 237 flats, 204 have already been sold before they have been built.

Ian Hawksworth, chief executive of Capco, said the scheme was "well advanced" and would create 7,500 homes and 10,000 jobs. He added it received planning consent in November 2013 and the company had "a binding land sale agreement with Hammersmith & Fulham Council".

A council spokesman said: "Earl's Court is one of a number of policy areas which are being looked at but no decisions have been made."

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