

# Spitalfields: Opportunity Through Regeneration

The Rt. Hon The Lord Mayor

Alderman Michael Bear

*Chief Executive Spitalfields Development Group* 

*July* 2011

### **Gresham Lecture**

- 1. Introduction
- 2. Spitalfields Through the Ages
- 3. Drivers for Regeneration
- 4. Regeneration Process: 1987 Present
- 5. The Future



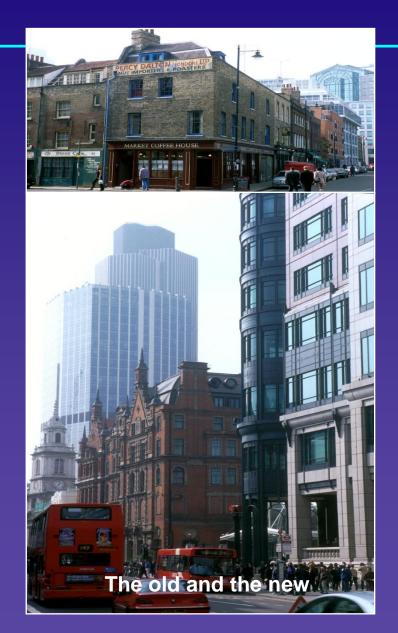


### Spitalfields Sites



### **Spitalfields Location**





#### Before 1700's

### Spitalfields: 2000 Year old site

AD 300/ 400 The site of a Roman cemetery.

#### 1197

Foundation of 'Priory of St. Mary of the Spittle', a medieval hospital. 'Spitalfields' derives from medieval word for 'hospital'.

#### 1666

After the Great Fire of London, thousands of displaced people camp on the Spital Fields.

#### 1669

Samuel Pepys visits the Old Artillery-ground at Spitalfields, "where I never was before, but now by Captain Deane's invitation did go to see his new gun tried, this being the place where the officers of the Ordnance do try all their great guns."

#### 1682

Charles II grants a Letters Patent to a silk thrower called John Balch, allowing a market for flesh, fowl and roots in Spitalfields, an area known as a 'stronghold of Nonconformity'.

#### 1700's

Large numbers of Huguenots (French and Flemish Protestants) flee religious persecution and settle in the area. Their silk-making expertise makes 'Spitalfields Silk' a world-famous export – and they also invent Oxtail soup.

### 1800's

#### 1880s

Mass Jewish settlement in Spitalfields and the invention of the sewing machine, means the mechanized clothing trade is launched. Bagels are also introduced to the area.

#### 1875

Robert Horner, a former market porter, purchases the market lease at public auction.

#### 1887

The 'Horner Buildings' are officially finished.

#### 1888

Charles Roberts Ashbee, a founder of the Arts and Craft movement, opens his Guild and School of Handicraft at Toynbee Hall on Commercial Street, opposite Spitalfields Market

#### 1900's

#### 1900s

A new wave of mass settlement brings Maltese, Irish, Scots, West Indian, Somalian and Bangladeshi communities to the area.

#### 1920

Corporation acquires control of the market. Spitalfields' reputation grew, as did traffic congestion in narrow streets around it.

#### 1940s

Spitalfields fruit and veg traders club together and buy a Spitfire fighter plane to aid the war effort. They name it 'Fruitaition'.

#### 1987

Corporation of London sells long lease of old market site to Spitalfields Development Group.

#### 1989

Act of Parliament approved for the market to be moved.

#### 1991

The fruit and veg market moves to Temple Hill, Leyton in East London where it now occupies a purpose-built 31 acre site. "Old Spitalfields Market" takes its current form.

#### 1999

Archaeologists discover remains of a young Roman woman, in a decorated sarcophagus.

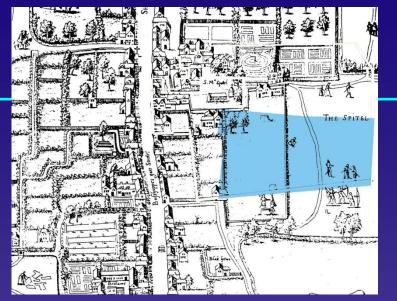
#### 2000 Onwards

#### 2005

New Spitalfields development at Crispin Place and Bishops Square opens next to Old Spitalfields Market. Market wins Time Out award for 'Best London Market' two years running.

#### 2008

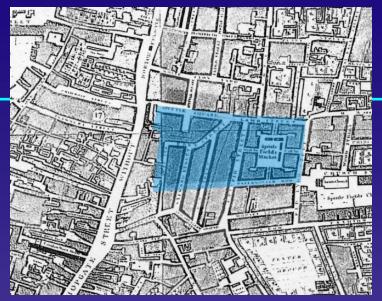
Restoration work, preserving Horner Buildings for another generation, is fully completed.



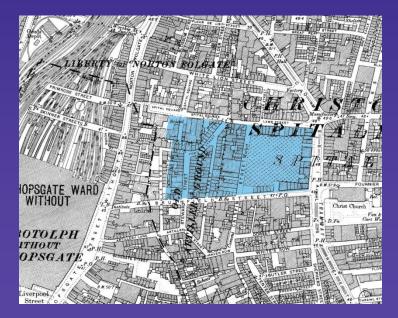
#### Copperplate map c.1550



John Ogilby map c.1676



John Roque map c.1747



#### 1894 map



### **DRIVERS FOR REGENERATION**

### 1. Local Community

- Social Exclusion
- Economic Poverty
- Break down Bishopsgate 'glass wall'





### Tower Hamlets: Population

### **Tower Hamlets: Education Levels**



### **Tower Hamlets: Percentage Unqualified**



### **Ethnic Groups**

	Spitalfields and Banglatown	Tower Hamlets	London
Bangladeshi %	58.1	33.4	2.2
Indian %	1.9	1.5	6.1
Other Asian %	1.3	0.9	1.9
Pakistani %	1.3	0.8	2.0
African %	2.3	3.4	5.3
Caribbean %	1.1	2.7	4.8
Other Black %	0.2	0.5	0.8
White and Asian %	0.5	0.7	0.8
White and Black African %	0.3	0.4	0.5
White and Black Caribbean %	0.4	0.8	1.0
British %	22.4	42.9	59.8
Irish %	1.5	2.0	3.1
Other White %	6.5	6.5	8.3

Source: Neighbourhood Statistics

### Life Expectancy: Male

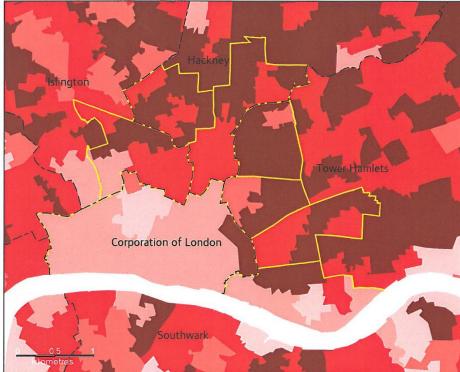
	Spitalfields & Banglatown	Tower Hamlets	London
Life Expectancy at Birth Male 2001 - 2005	73.4	73.9	76.4
Life Expectancy at Birth Male 200 - 2004	73.3	73.4	76.1
Life Expectancy at Birth Male 1999 - 2003	71.4	73.0	75.7
Life Expectancy at Birth Male 1998 - 2002	70.5	72.4	75.4

Source: London Health Observatory

### **Index of Multiple Deprivation (2000)**

Spitalfields (Tower Hamlets)		City of London – combined wards		
Index of Multiple Deprivation	46	Index of Multiple Deprivation	4439	
Income	15	Income	4646	
Child Poverty Index	41	Child Poverty Index	4035	
Employment	68	Employment	83	
Health Deprivation & Disability	1316	Health Deprivation & Disability	4432	
Education Skills & Training	320	Education Skills & Training	8360	
Housing	1	Housing	1178	
Geographical Access to Services	8233	Geographical Access to Services	8061	

Ranking out of 8414 wards in England



**Employment Deprivation within City Fringe** 



#### City Fringe Study Area

City Fringe Ward Boundary

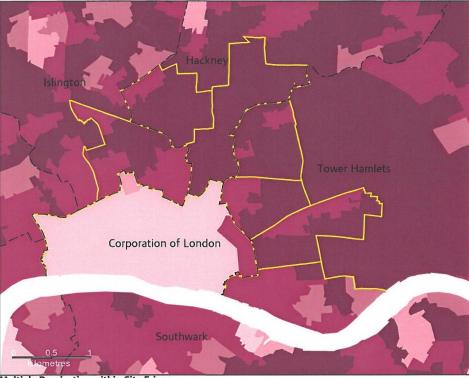


Borough Boundary

**Emoployment Depravation** 

Within 20% Least Deprived Wards in England

Within 20% Most Deprived Wards in England



**Multiple Deprivation within City Fringe** 



City Fringe Study Area

City Fringe Ward Boundary



Borough Boundary

#### Multiple Depravation

Within 20% Least Deprived Wards in England

Within 20% Most Deprived Wards in England

### **DRIVERS FOR REGENERATION**

### 2. Expansion of the City

Demand for more modern office space, to remain competitive as a financial / business centre



### **Need for Development**

- In 1980s, companies required new office space
  - non-columned areas, with the ability to install fibre optic cables.

Leading to Big Bang (when market deregulated).

- Canary Wharf provided ideal space. The City did not have this capacity.
- Important for City to create buildings with flexible floorplates.

### **Background to Spitalfields Development**

- City owned the freehold of Spitalfields' fruit and veg market.
  Declining trade and threatened with closure.
- Site provided the opportunity to create the space offered at Canary Wharf. SDG granted 'preferred development status' in 1987, after 'beauty contest'.
- Act of Parliament was needed to change the use of the old market to office space. Granted in 1990, by which time the property market was in full downturn.
- 300 year-old market relocated to Leyton (because Spitalfields was residential, and it was too noisy and congested).

SDG – Spitalfields Development Group (Balfour Beatty, Costain and LET)





### **City Prime Rents: 1985 – 2010**



### **City Development Completions: 1985 – 2010**



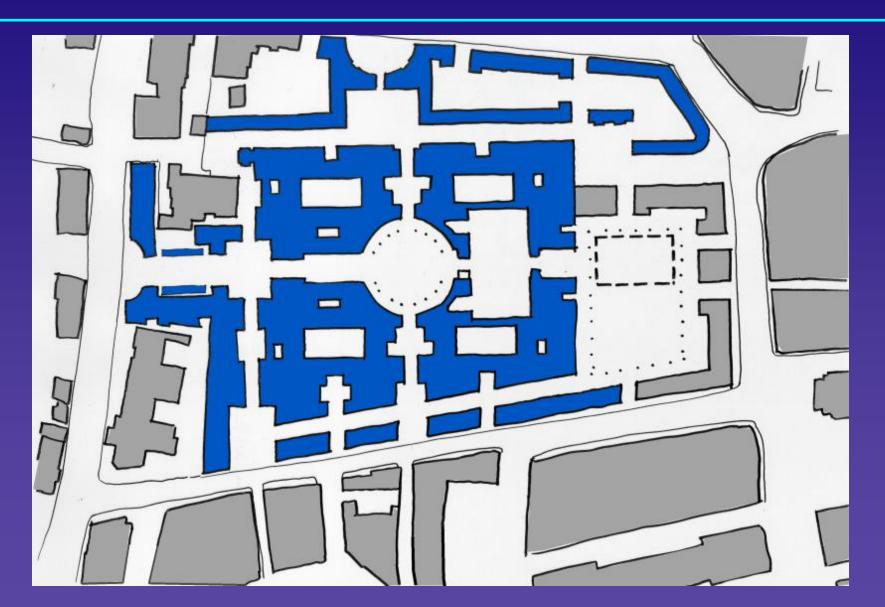
### **City Prime Yields (%)**

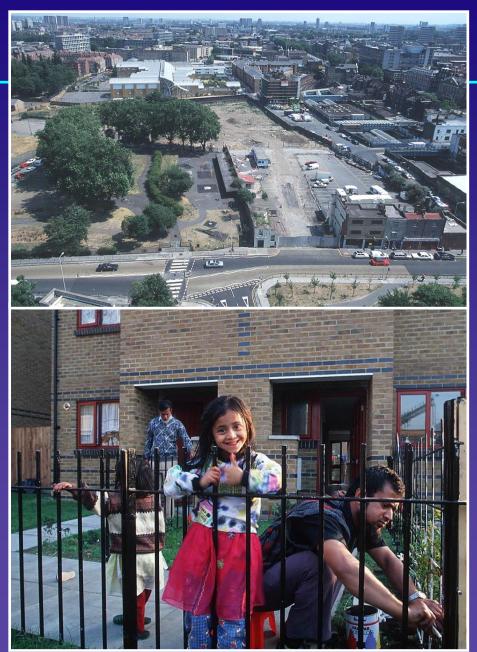


### **Regeneration Process:** 1987 - Present



### MJP Masterplan (1988)



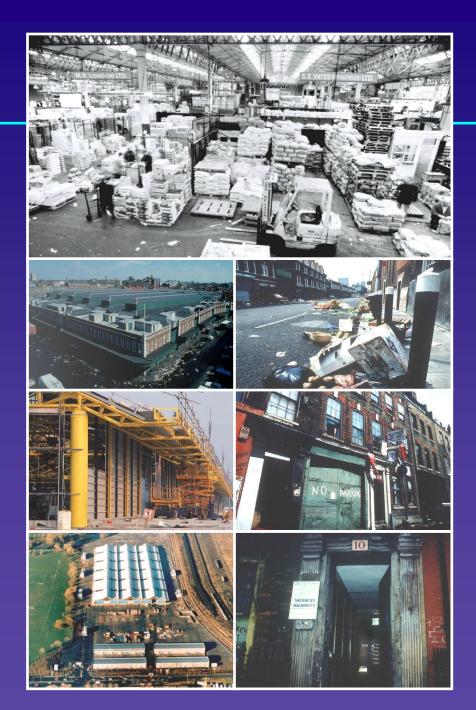


### Act of Parliament 1989 Section 106 Equivalent Benefits

- Total Package of Benefits circa £20 Million
- Leisure/sports centre
- Social housing 118 units
- Local shops
- Specialist employment brokerage
- Community facilities
- Local labour in construction through jobs panel
- Environmental improvements SMC Trust and SMT Initiative

## Opened May 1991



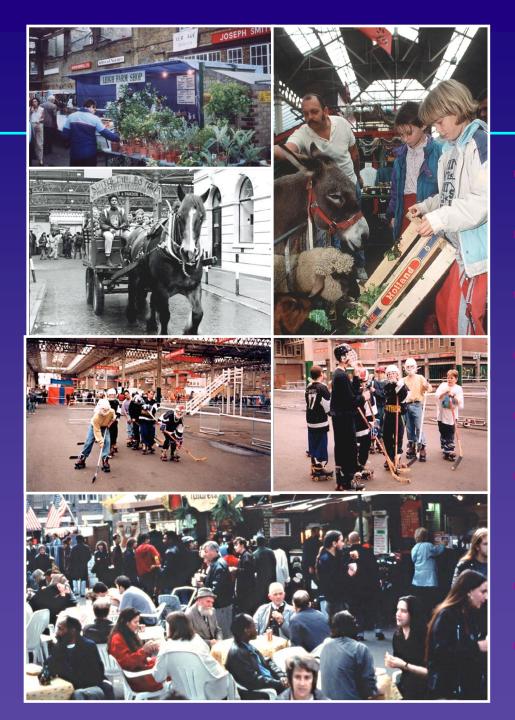


### **Spitalfields in 1991**

Dereliction

### Crime

- Relocation of Market to Leyton
- Market buildings boarded up
- Lack of confidence in the area
- Poor outlook for the future
  - Planning Consent 1989 Scheme
- SMCT & SMTI established 1991
- SDG works with LBTH to achieve funding for City Challenge



### **Interim Uses: Review**

- Market opened up in 1991
- Local labour to construct food court
- 400 jobs created
- 50 new business start-ups
  - SSBA provided shop-fronts
  - Revitalised area and engine of
  - regeneration
  - Streets were safer
  - Destination for visitors



Space in Use (June 1992)



### Space in Use (June 1993)



Space in Use (June 1994)



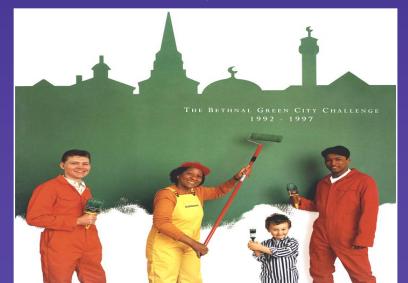




## Bethnal Green City Challenge (BGCC)

- Five year initiative commenced 1992
- In danger of closure in 1993
- Mike Bear invited to provide private sector leadership
- Lesley Klein appointed Chief Exec
- Comprehensive review of programme
  - Action Plan reflected new priorities

Established credibility with Government



# **Partners of Bethnal Green City Challenge**

- Bangladesh Welfare Association
- Barclays Bank
- British Telecom
- City and East London Health Authority
- Drivers Jonas
- East London Partnership
- Grand Metropolitan
- Housing Corporation
- London Borough of Tower Hamlets
- London East Enterprise Council
- Metropolitan Police
- Neville Russell Accountants
- Queen Mary & Westfield University
- Railtrack Properties
- Spitalfields Development Group





















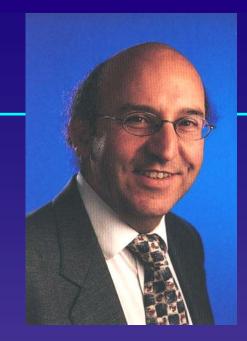








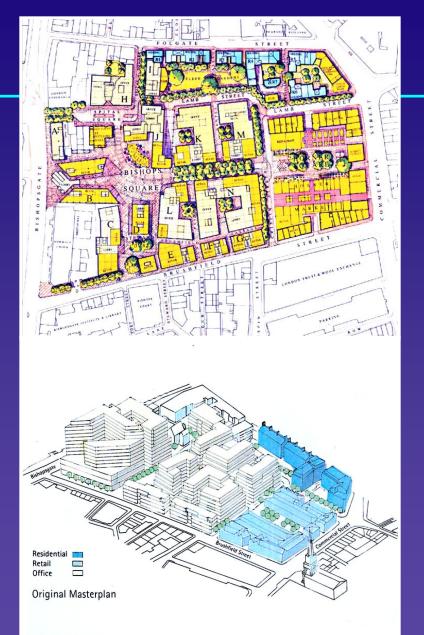






# **BGCC Key Achievements 1992-1997**

- £139 million private sector investment
- £24 million other public sector investment
- 3,288 jobs created
- 259 new businesses created
- 76,112m<sup>2</sup> of business floor space improved
- 49,276 training weeks undertaken by local people
- 6,478 people received qualifications
- 333 buildings improved (92 listed)
- 116 community facilities improved
- 451 childcare places created
- 495 new social homes built
- 1,665 social homes refurbished
- 570 new private homes



# **1993 Masterplan**

# Planning permission granted for:

- 1,000,000 ft<sup>2</sup> of offices
- Restoration of Horner Buildings
- New retail floorspace
- Residential development
- 4+ acres of public squares and amenityspace including Bishops Square,Elder Gardens and Market Street

# **New Section 106 Agreement**

## £23m spent on local community:

- 118 Social Houses Whitechapel
- £5m Spitalfields Market Community Trust
- £750,000 to THAAT
- £7 per square foot planning gain of development
- Local shops
- 25% on subsidised rents
- 5 -15% of all construction workers would be local

# Whitechapel West: Section 106 Benefits



# **First Developments**

# Residential

- 187 residential units completed
- Elder Gardens, a new public space



ELDER GARDEN



LONDON WINNER 2003

SPONSORED BY



PRESENTED TO

ST GEORGE NORTH LONDON

FOR

ELDER GARDENS

SPITALFIELDS



# Daily Mail Greenleaf Awards 2003



# First Developments ABN Amro

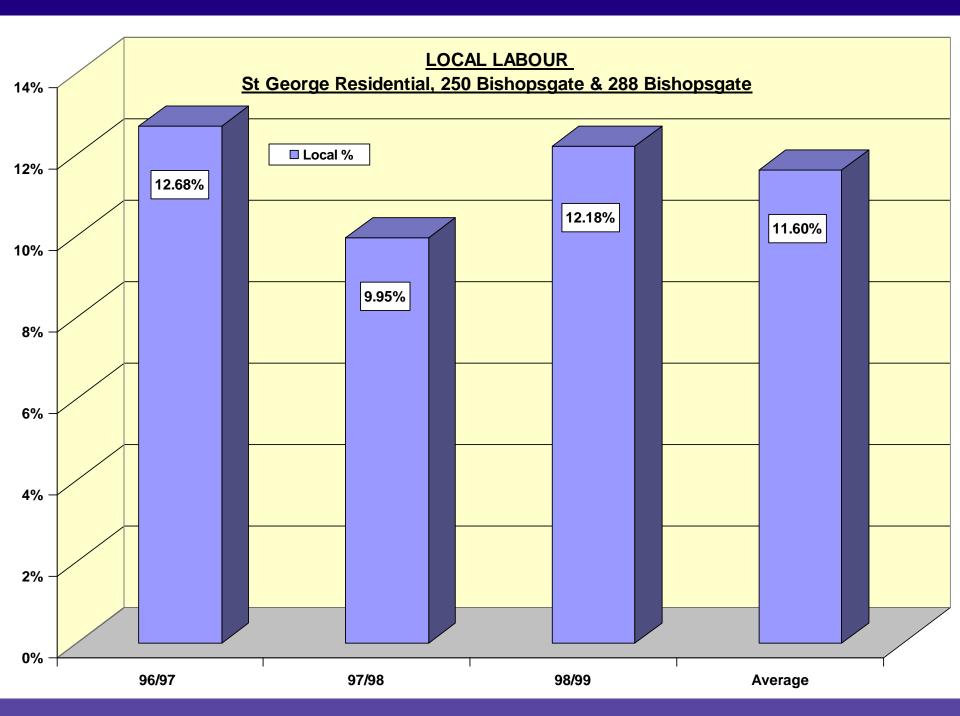
- Neville Russell Building
  - SSBA strip out offer
  - Building commenced in 1996
  - Practical completion in 1998
- Building now fully occupied











# **Developments since 1997**

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London Live Lovelondon Awards 2000

Spitalfields Market

94.9FM BBC LONDON LIVE Making a difference to Londoners' lives

#### OLD SPITALFIELDS MARKET

Have you checked out Spitalfields Market recently? With an average of 333 stalls every Sunday there's everything under one roof

he heart Be (oul of )pit

Fashion, food, furnishings and...fun!



Market open 10am-5pm Sundays, 10.30am-4.30pm Monday to Friday.







## BURA BRITISH URBAN REGENERATION ASSOCIATION

#### **BEST PRACTICE AWARD 1997**

Presented to

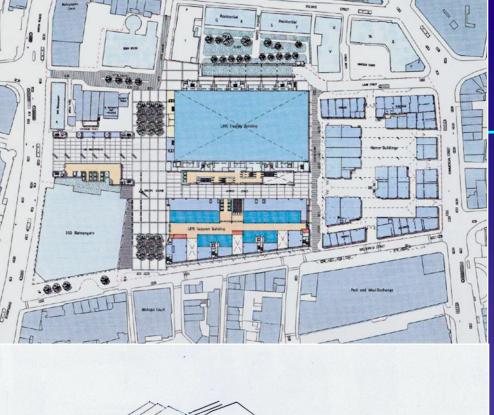
### Old Spitalfields Market, London

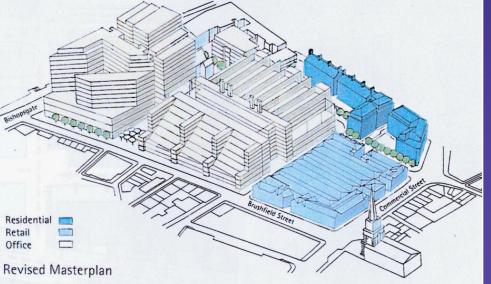
in recognition of its outstanding contribution to urban regeneration

John Fenner OBE Chairman, BURA

Professor Peter Roberts Chairman, Best Practice Committee

Gerald Cary-Elwes Secretary General, BURA





# LIFFE at Spitalfields 1996/97

- Followed principles of 1993 Masterplan
- Requirement for large floors to meet current requirements
- Kept within height constraints already established to make transition from Bishopsgate to Horner Square
- Market Street to be animated by retail and LIFFE activity
- Bishops Square to provide major open space
- Market Street to provide east-west permeability
- Horner Buildings to provide covered retail, leisure and market attraction





# LIFFE at Spitalfields 1996/97

# The Compact: A Model for Regeneration

- Access to jobs through training and job brokerage
- Local firms to benefit from purchasing power
- Community to benefit from initiatives

# **Cityside Regeneration**

## Successful SRB 3 bid by LBTH with SDG as key partner

Aims of Cityside:

- Break down barriers excluding community from employment
- Develop diverse local economy
- Put area on visitor map for London

# **Flagship Projects**



- Banglatown
- Bethnal Green Road
- Rich Mix Centre





# **Bishopsgate Goodsyard**

## A model for temporary reinvigoration of blighted sites

# **Cityside Key Achievements 1997-2002**

- 1016 jobs created, of which 701 were from ethnic minorities
- 3590 jobs safeguarded, of which 2148 were from ethnic minorities
- 341 new businesses started, of which 224 were from ethnic minorities
- More than 9,000m<sup>2</sup> of new workspace created
- Approximately 1,100,000 new visitors brought to the area over five years as a direct result of Cityside Regeneration projects



Spitalfields Development Group invests in upfront Archaeology, to reduce time for development









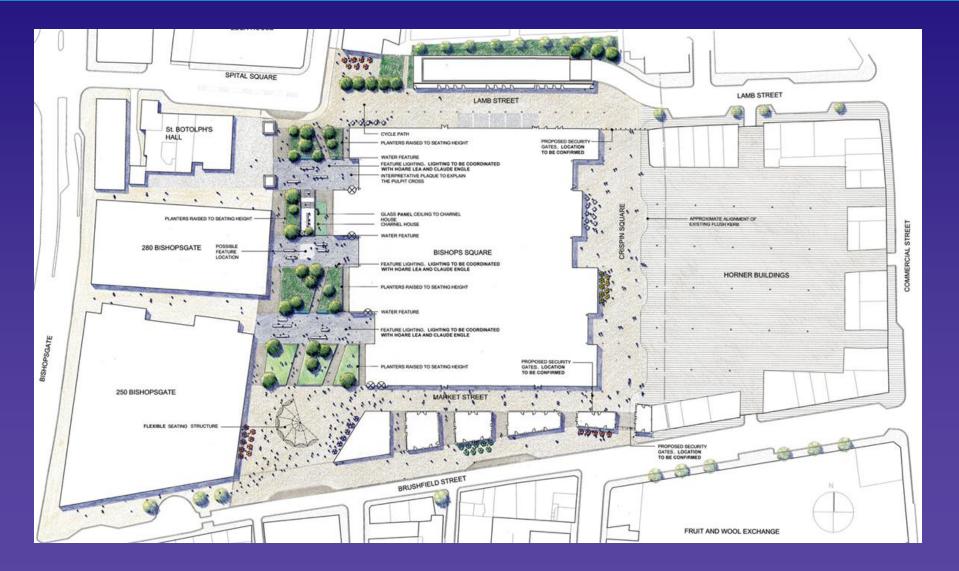








# **Bishops Square Development**



# **Last Commercial Phase**



Bishops Square Model



# property/veek IAS/OASawards

# Bishop's Square pre-let

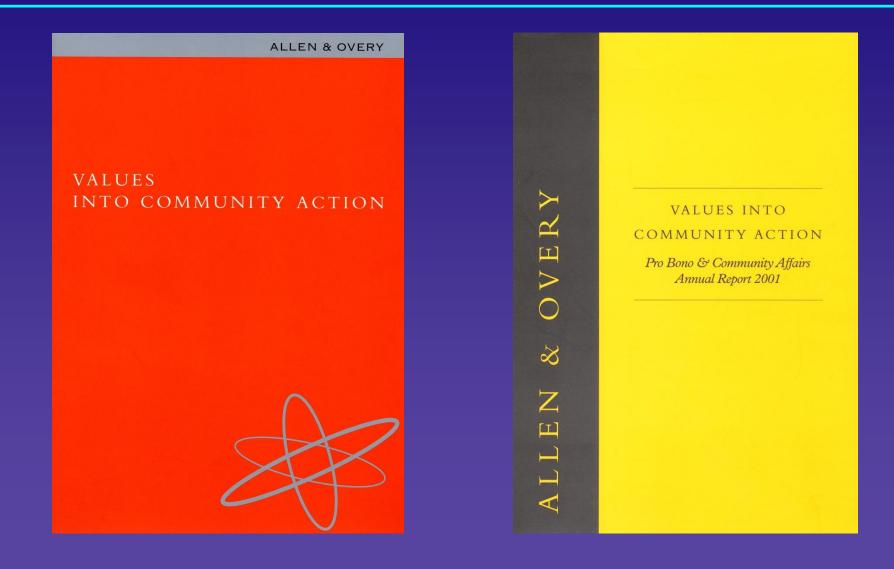
Office Transaction of the Year



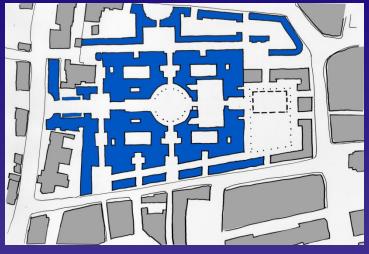




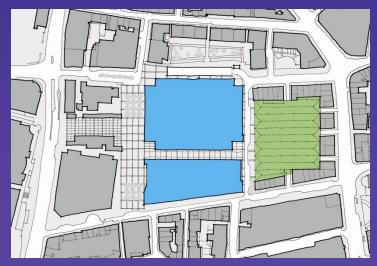
#### Allen & Overy



# **Masterplanning History**

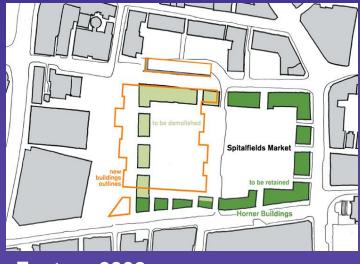


**MJP 1988** 



LIFFE Scheme 1997

**EPR 1993** 



Fosters 2002



# FINAL CONSTRUCTION COMMENCES





Before start of Construction



27 January 2003 – Taken from 12<sup>th</sup> floor balcony on 280 Bishopsgate



17 April 2003 – Taken from the roof of 280 Bishopsgate.





20 July 2003 – Taken from the roof of 280 Bishopsgate.

















### Section 106: £9m for community projects

- Banglatown Public Art & Culture Trail
- Chicksand Playspaces
- Thomas Buxton Junior & Infants School
- New Community Facility from former London Metropolitan University hall
- Employment and training initiatives
- Street improvements & CCTV
- Open Spaces (public gardens)
- Improvements to frontages
- Christchurch Youth & Community Centre
- Osmani Youth Centre refurbishment
- Market Improvement in Brick Lane
- Programme contingency

£2,020,000 £600,000 £300,000 £30,000 £700,000 £2,450,000 £674,437.33 £560,000 £300,000 £730,000 £150,000 £120,562.00 TOTAL: 8,644,000 \*

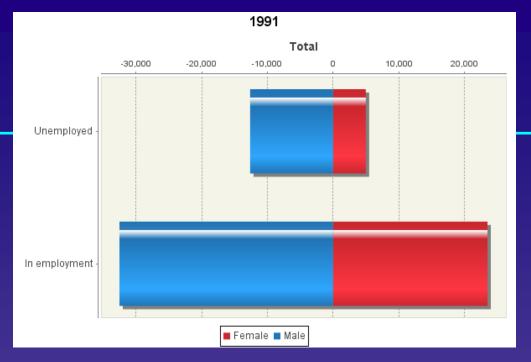
\*As 2010/11

#### **Additional Benefits**

- 6,500 jobs
- Balance of S106 delivered on completion
- Retail provision on Brushfield Street, Crispin Street, Lamb Street and Market Street
- Increase in quantity of open space
- Below ground servicing
- Completion of regeneration strategy
- Interface with other regeneration initiatives

#### **Tower Hamlets: Education Levels**







# Tower Hamlets Employment

# THE FUTURE



#### **Employment and future floorspace**

- City-type employment in London has been on a continued longterm growth trend of about 1.75%pa since 1971.
- Currently over 300,000 people employed in the City.
- Latest GLA projection is that employment in the City will increase by 96,000 during 2006-2026, rising to 401,000 by 2016, to 423,000 by 2021 and to 428,000 by 2026.
- Since 2006 there has been an increase of 0.54 million sqm office floorspace. As at September 2010, there was 1.43 million sqm of office floorspace under construction or permitted not commenced and a current stock of 8.22 million sqm.

#### **New Projects**

- Looking at next wave of development in Tower Hamlets
- London Fruit and Wool Exchange now being redeveloped.
- Bishopsgate Goods Yard
- Principal Place in Shoreditch
- City developing Nicholls & Clarke site.

Spitalfields and Bishops Square were the CATALYST.

# Wider Area Regeneration

