

# Focus on: Hammersmith and Fulham



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How will regeneration in the London borough ease the capital's housing shortage?

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# Placemaking and development in Hammersmith & Fulham

- The West London local authority aims to regenerate key zones and bolster housing delivery, with just over 10,000 new homes in the pipeline including over 3,000 currently under construction

In the face of an ongoing housing shortage, London boroughs must look to their core areas to attract new investment and regeneration and, in turn, increase the delivery of new homes. One such local authority is Hammersmith & Fulham which is seeking to replicate the Westfield effect in Shepherd's Bush – one of its major town centres – across the rest of the borough. The development of Westfield in 2008 led to the reclassification of the Shepherd's Bush area to a Metropolitan Town Centre, serving a wider catchment due to the significant increase in retail, leisure and service floorspace. Its opening was followed by ambitious housebuilding plans, including the £1.3 billion White City Living scheme which is currently under construction.

But while some areas of London are thriving in terms of new housebuilding and regeneration, the capital's overall delivery rate has stagnated at around 40,000 homes per year, well under the Mayor's annual target of over 50,000. In the first quarter of 2023, new home completions in London fell 25% compared to the same period last year

**"The borough is seeking to replicate the Westfield effect in Shepherd's Bush across the rest of its key zones."**

to 3,076, a nine year low, according to Molitor London, which looks at schemes of at least 20 units. As such, developers and local authorities are turning to placemaking to revitalise key districts across London which have the potential to become epicentres of new housing, retail and jobs. The London borough of Hammersmith & Fulham has identified four key regeneration zones (see map overleaf), in its local plan which will deliver 19,800 new homes and 29,500 new jobs by 2035.

As well as White City, these include Hammersmith, Fulham and South Fulham Riverside. Additionally, towards the north of the borough, the Old Oak Opportunity Area also spans land in Hammersmith & Fulham, alongside Ealing and Brent. The development of the HS2-Elizabeth Line station at Old Oak Common will bolster the borough's existing transport infrastructure.

The ongoing regeneration of Kensington Olympia will also boost new housing, retail and jobs in the borough. Plans include two hotels and a 4,400 capacity live music venue, alongside the redevelopment of Blythe House, which is in pre-planning for 800 new homes.

Currently, Hammersmith & Fulham has just over 10,000 new homes in its planning pipeline, including 3,428 units under construction and 6,538 units with full planning permission, Molitor London data shows. The new London Plan has identified a need for a further 16,090 homes to be delivered over the next 10 years in the borough.



Regeneration and housebuilding have picked up pace over the past few years, with the borough consistently delivering over 1,000 net additional dwellings since 2017-18. The most recent data shows that the borough delivered 2,300 net additional dwellings in 2021-22, the fourth highest of all London boroughs after Tower Hamlets, Brent and Newham.

## POPULATION GROWTH

There is strong demand for new homes in the borough with its population growth rate exceeding the London average. Over the next decade, the population of Hammersmith & Fulham is set to rise 13% to 208,679, according to the Greater London Authority, at an annual growth rate of 1.3% versus the London average of 0.6% over the same period.

## HOUSING MARKET

Whilst higher than the London average, at £749,383 (up 25% since 2013), house prices in the borough remain relatively affordable compared with the neighbouring boroughs of Kensington and Chelsea and Wandsworth (to the east and south respectively).

Looking ahead, we forecast that rental values will rise by 19.9% in both Prime Central London and Prime Outer London across the same period. Within this we expect there will be areas of outperformance.

## MIGRATION

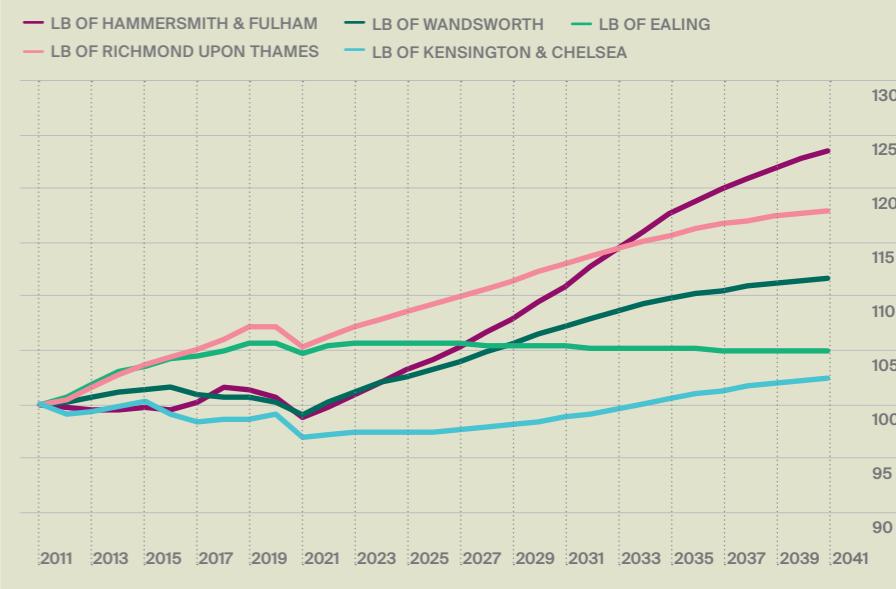
In its 2020-based population predictions, the GLA forecasts domestic net migration into the borough will increase by 7,218 over the next decade (see Fig.2). It predicted the borough would swing to a positive domestic immigration rate in 2022 for the first time in eleven years. The

**7%**

of movers last year earned £100,000 or more, compared to just 1% in 2021.

**Fig 1: Population growth, vs neighbouring boroughs**

2011 = 100



Source: Knight Frank Research, Office for National Statistics, GLA

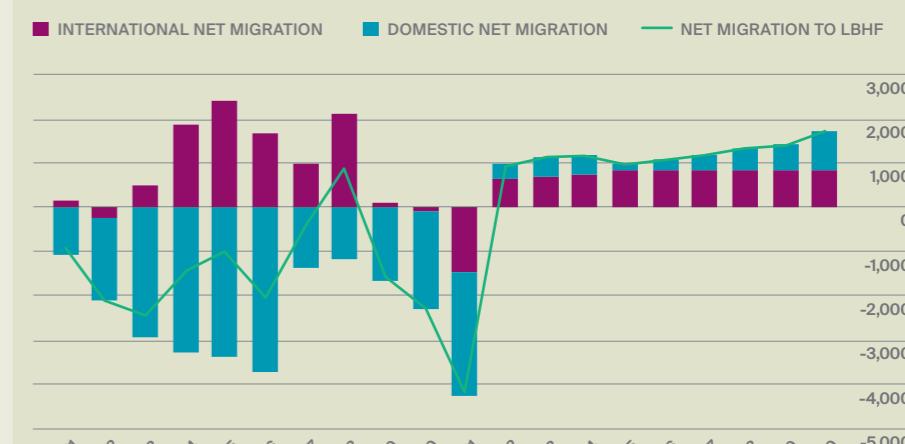
proportion of higher earners moving into the borough is also increasing.

Last year, a third of domestic relocations into Hammersmith & Fulham were made by those earning £60,000 and above, up from a fifth in 2021, Experian data shows. In total, 7% of movers last year earned £100,000 or more, compared to just 1% in 2021. Most movers into the borough came from Kensington & Chelsea, followed

by Wandsworth and Westminster. Just over half of the households currently living in the borough can be classified as successful high-earning families, or ambitious 20-to-30-year olds, according to Experian data. Reflecting the large number of higher income renters, as well as the desirability of the area, average asking rents in the borough have risen 30% since 2012, according to Rightmove.

**Fig 2: Historical and projected migration to Hammersmith and Fulham**

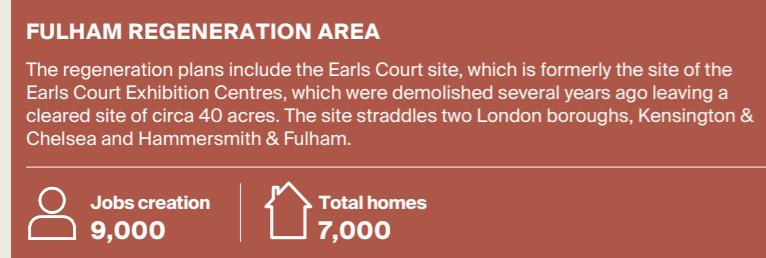
Net domestic, international and total migration



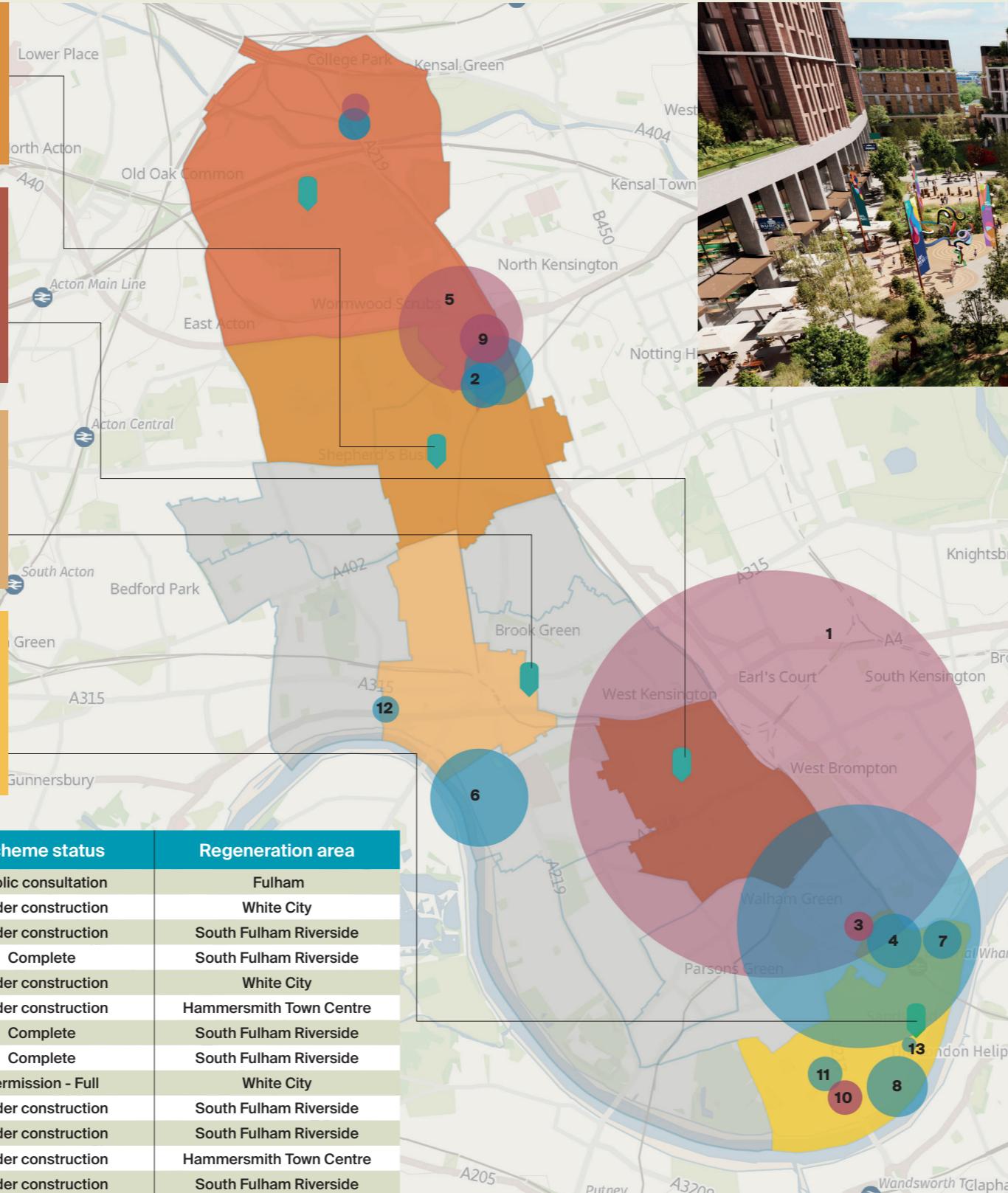
Source: Greater London Authority, Knight Frank Research

# Regeneration roadmap

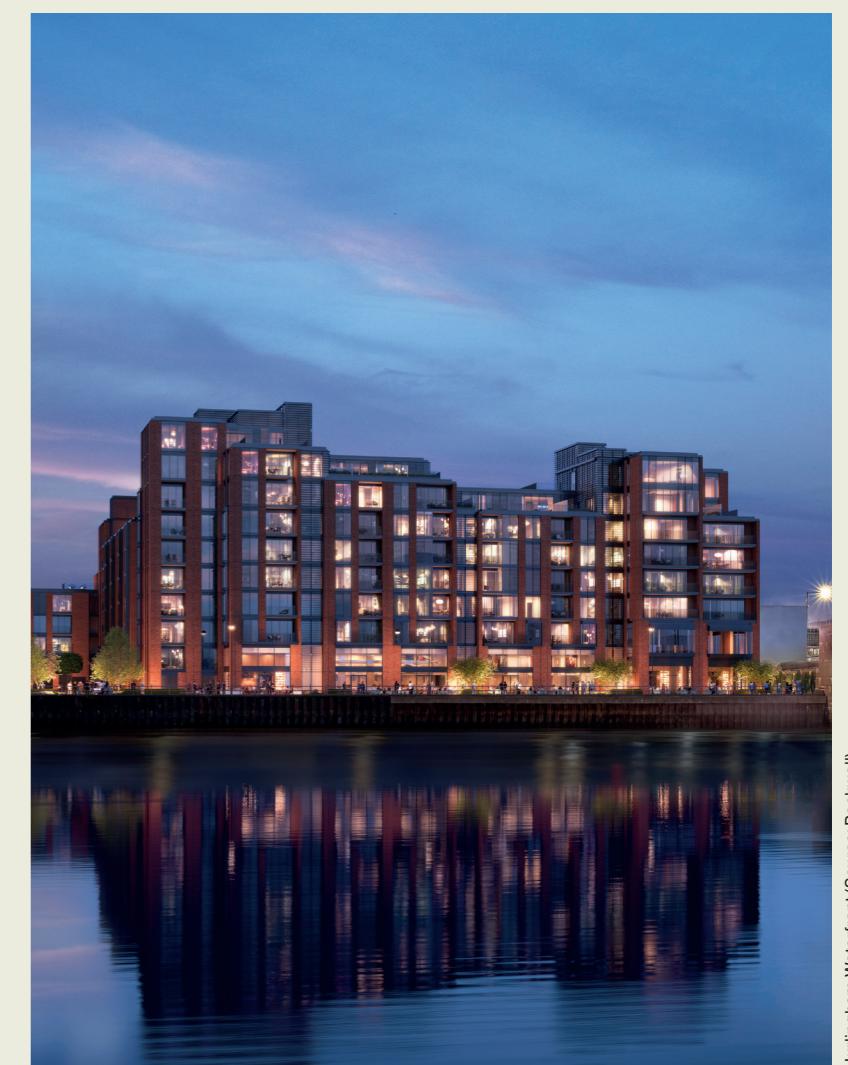
**Key**  Regeneration Zone  Under Construction  Permission Granted  Size relates to total number of units



	Parent scheme	Total homes	Scheme status	Regeneration area
1	Earl's Court	4,500	Public consultation	Fulham
2	White City Living	2,500	Under construction	White City
3	King's Road Park	1,843	Under construction	South Fulham Riverside
4	Chelsea Creek	1,239	Complete	South Fulham Riverside
5	Television Centre (Phase 2)	942	Under construction	White City
6	Fulham Reach	744	Under construction	Hammersmith Town Centre
7	Chelsea Waterfront	709	Complete	South Fulham Riverside
8	Fulham Riverside	463	Complete	South Fulham Riverside
9	White City Campus	373	Permission - Full	White City
10	Hurlingham Waterfront	269	Under construction	South Fulham Riverside
11	Chelsea Botanica	266	Under construction	South Fulham Riverside
12	Hammersmith Town Hall Extension	204	Under construction	Hammersmith Town Centre
13	Chelsea Riverview	110	Under construction	South Fulham Riverside



CGI of a new park at the Earls Court site, image courtesy of the Earls Court Development Corporation



Hurlingham Waterfront (Source: Rockwell)

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.



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