

'In London, those in the middle get left behind'

Marc Vlessing is on a mission to provide thousands of affordable homes for the capital's hard-working 'city makers'

JACK TORRANCE



Nobody could accuse Pocket Living's founder Marc Vlessing of lacking confidence. "I think this is probably the best view in London," he says, standing atop the housing developer's new 27-storey tower block in Wandsworth, in the south-west of the capital. "This building will get nominated for every architectural prize in the book. It's just ground-breaking in every respect."

Clad in green ceramic tiles, the triangular tower is one of Europe's tallest residential buildings made from prefabricated modules, which were assembled in a factory in Bedfordshire. It is part of Vlessing's vision of providing homes for those he calls "city makers" – middle income teachers, nurses, chefs and salespeople who are not eligible for state support but would struggle to buy a home in 21st century London.

While some of its flats are sold on the open market to help fund the development, the majority – mostly single-bed units – come with a 20pc discount, albeit with some strings attached.

They are only available to first-time buyers who live or work in the borough and who earn a household income of less than £90,000; and when it comes to selling up they must find a buyer who fits the same description.

"It's not difficult for a city to house the rich, and good governance looks after the urban poor," says Vlessing. "But it's the people in the middle who tend to be left behind – there is this understandable but somewhat lazy assumption that they'll find their way. In London that means sharing for years."

His solution is to use modular construction, which saves money both on materials and labour, and to design compact homes that only narrowly exceed the minimum sizes

required by building regulations. In a city as afflicted by housing shortages as London, it's a vision that has unsurprisingly proved popular with politicians. In 2013, the then-mayor Boris Johnson handed Pocket a £22m 10-year interest free loan to build 400 affordable homes. Johnson's successor Sadiq Khan put in another £25m two years ago.

But dealing with local Government isn't always so straightforward. Though Vlessing says Britain's planning system has advantages over countries such as Sweden and Germany, getting schemes approved can be a lot of work.

"It can be very, very hard because these are very overworked departments," he says. "Nobody gets a bonus for doing anything out of the box. And we're not delivering 1,000 new homes, we're doing 20 units here, 40 there. It's hardly moving the dial, so why should people bother?"

"Well, because if you do it with heart and integrity, and find the right people who are prepared to put their heads above the parapet with you, then it's quite fun for them as well."

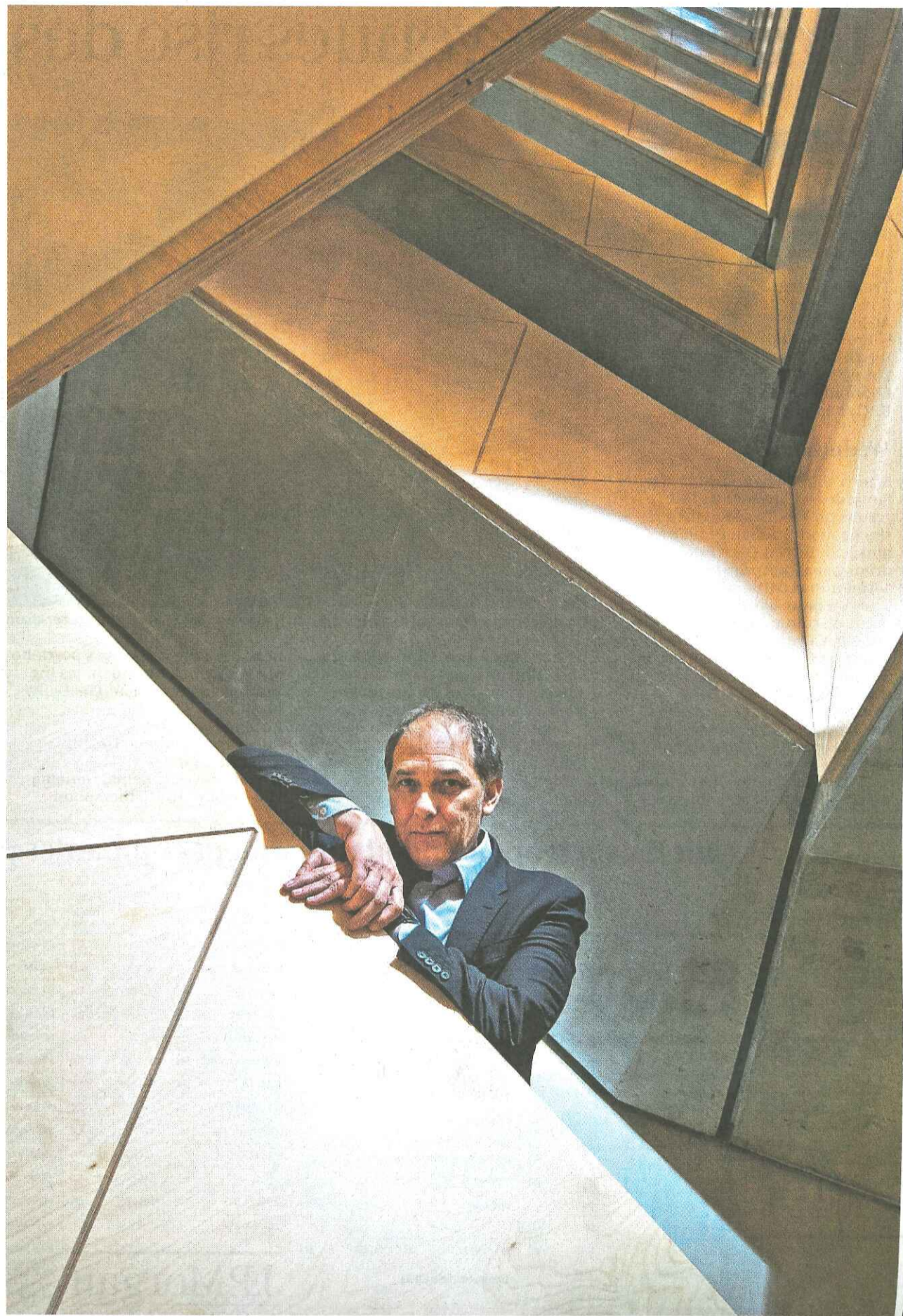
Including bigger homes for families alongside Pocket's main staple of discounted one-bedroom flats can help. "The average politician thinks about family housing because the people who complain about housing most tend to be families," says Vlessing.

But he's keen to avoid diluting the main business model too much. "Unlike an older, normal developer who wants to minimise the amount of affordable housing and ultra-maximise open-market housing, with us it's the reverse. But we do need that diversity."

So far Pocket has built around 500 homes and has about twice as many in the pipeline. The company turned over £57m last year and made profits of £2.2m according to accounts filed with Companies House.

Vlessing says the concept behind Pocket is a product of his unusual career path.

Raised in the Netherlands and Belgium by an advertising executive father ("he was the quintessential Mad Man", says Vlessing, referencing the TV series) and a linguist mother,



Marc Vlessing, the founder of Pocket Living, is developing a 27-storey tower block in Wandsworth, made from prefabricated modules

he moved to the UK in 1980 to study – initially at Buckingham University and later at the London School of Economics.

"I love *Monty Python*; there was something about the British sense of humour that made me think: 'Yeah, I want to be in England.'"

'We're about to house our 500th person and will have hundreds or thousands more in the next 18 months'

After graduating, and desperate to save up enough to buy his own flat in London, he opted for the fastest route to save up a big deposit – becoming an investment banker.

Though it helped him get on the housing ladder, he soon became bored and swapped the City for the

West End, initially setting up a media financing business before taking the helm at Crescent, at the time one of the country's biggest cinema and theatre businesses.

It was there that he began to think about the challenges faced by workers struggling to afford somewhere to live.

"Having worked with hundreds of people in the theatre or cinema world who did their jobs for the passion ... you could see they were straining at the edges to make all of this work in central London. They were doing ridiculous commutes; you could really not imagine how their children were going to make it work."

After helping sell the business, he set up Pocket with a friend, Paul Harbard, in 2005. The project originally won backing from Cargill, the US agricultural giant, but the founders bought its stake back at a

discount when it rushed to get out of real estate during the financial crisis.

"We mortgaged the house again and bought the business back. We took some exceptional risks to get to this point," says Vlessing. "I don't like to think about them too much."

Vlessing and Harbard, who has now retired, have since sold a 50pc stake to Related, the US real estate giant controlled by Stephen Ross, the billionaire entrepreneur.

Fifteen years after trading the world of showbusiness for the altogether more glamorous property industry, Vlessing has no regrets.

"We're about to house our 500th person and will have hundreds or thousands more within the next 18 months. That's really life-enhancing stuff. To be able to say we made that possible is worth more than 1,000 cinema tickets. I'm the luckiest man in London."