

Claire Jones-Hughes
C/O Banks Solutions
Managing Development DPD Programme Officer
6 Brading Road
Brighton
BN2 3PD

4 September 2012
Our ref: 090789

Dear Ms. Jones-Hughes,

Further written response in relation to Bethnal Green [SA2]

This position statement is submitted in conjunction with our previous written comments issued on 7 July 2010 and 8 March 2012 on behalf of National Grid Property Holdings Ltd. It seeks to provide additional detail in relation to the abnormal costs associated with bringing forward this site for development.

This information has been provided by DTZ, National Grid Property Holdings Ltd surveyor responsible for this and other Tower Hamlets sites.

Further to our previous representations submitted, it has now been possible to undertake a more comprehensive review of the demolition and remediation costs that will be required at Bethnal Green before the redevelopment of the site can commence. The following information is taken from existing data held by National Grid and has been updated to reflect the current position.

National Grid estimate the cost of demolishing the gasholders on the site to be £3.747m based on cost consultants advice from Davis Langdon, which has been updated by National Grid to reflect adjustment for time since the original report was produced (08/09).

The statutory remediation is estimated to be £134,000, based on estimates produced by National Grid using Best Estimate Remediation Tool (BERT), adopting inputs from National Grid's Environmental advisor, Worley Parsons Comex. These costs along with any associated costs relating to either the relocation or adaptation of operational equipment (which cannot be determined at this stage) must be taken into account in any future viability assessment.

An allowance for abnormal costs associated with NGP sites has already been acknowledged by the granting of planning permission for the redevelopment of the former gas works at Southall, west London by the Mayor of London and the recent granting of consent by the London Borough of Haringey for the redevelopment of the former Hornsey gas works, where the GLA own via the LDA approximately 20% of the land within the proposed scheme known as Haringey Hartlands.



The clear precedent set by the GLA and Harringey acknowledges the viability challenges posed by these sites. If this is not fully considered at the earliest possible stage, in association with the costs of other infrastructure, such as a public park and district heat facility, this will prevent the viable redevelopment of Bethnal Green.

It is here where the document fails, by prescribing that the site will deliver a 1.2 hectare Local Park and a district heating facility, the allocation is not considered justified or effective. In order to make the document sound, it is necessary to amend the allocation in the following manner:

- The 1.2 hectare Local Park should be replaced with "*provision of some open space to be determined at the development management stage*"; and
- In order for the site allocation to be consistent with Policy DM29 the site allocation box should have the words "*...where possible, a district heating facility...*" added.

This would enable the future development and delivery of this site to be ensured and make the Managing Development Document sound.

Yours sincerely

Stephanie Weeks

Associate Partner

For and on behalf of Planning Perspectives LLP

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