

1 November, 2010

Dear Amenity Society Chairman,

Re: King Street Regeneration Project, Hammersmith

I appreciate the points that you have raised regarding the King Street regeneration project and these have been passed on to planning officers to ensure that all relevant planning issues are taken into account during the planning process.

I am writing to you now to let you know that King Street Developments Limited (KSD) – the partnership between Grainger and Helical Bar – submitted a planning application to redevelop the area around Hammersmith Town Hall on Friday 29 October.

This application will now trigger a new stage of consultation and assessment as Hammersmith & Fulham (H&F) Council, as local planning authority, consults extensively with residents, amenity groups and other interested parties. This new process follows three years where the council's property team, as development partner, worked with KSD on the proposals. This is a key change in roles for the council.

While the council's role has now become that of planning authority, I wanted to take this opportunity to tell you my personal position on this scheme and make the case for regeneration.

The facts are clear. In February 2008, KSD beat off competition from two rival schemes and became the number one choice as voted for by local residents. Council officers also rated the proposals as the best option in terms of quality, value for money and deliverability. Since then, the proposals have been subjected to detailed and thorough scrutiny and local residents and amenity groups have been consulted at every stage.

At the most recent public exhibition – which was attended by 1,100 people, 81 per cent of respondents said the overall scheme would 'have a positive impact on Hammersmith town centre'. But I do understand that you have some concerns. Last month I attended the Save Our Skyline meeting and, as with any major regeneration project, there are elements of this scheme that some people like and elements that some people do not like.

I believe that this scheme does balance the need to regenerate the area around the Town Hall with the needs of local people and the borough's hard-pressed taxpayers. The benefits include:

- Demolishing the ugly and costly Town Hall extension will create a new public square surrounded by shops, restaurants, homes and offices

- A high quality public square will be a vibrant and dynamic focal point for the community, enabling the historic northern façade of Hammersmith Town Hall to be viewed from King Street once more
- Much-needed new jobs will be created in King Street
- A new community-sized supermarket and a range of new restaurants and other retailers, alongside a council 'One Stop Shop', will draw more people down King Street and encourage more investment in the area
- A new public footbridge, across the Great West Road, will reconnect Hammersmith to the river and Furnival Gardens giving safe, step-free, access from the town centre to the waterfront

Let me also reassure you that, if the scheme does progress, the council will not be spending one penny of taxpayers' cash on the development.

However, if the scheme does not go ahead there will be huge costs for us all. This is because the Town Hall extension has come to the end of its life and needs to either be demolished or refurbished. Taxpayers will need to spend around £18 million to move council staff temporarily while the extension is brought up to standard. Even if this money could be found – which is highly unlikely in the current economic climate – the finished building would still look like it does today. Energy costs are currently running at £225,000 per annum. A new building built to modern standards would produce savings of almost £150,000 a year in energy costs alone.

The context of where the council is heading and its office needs is also important to understand. It is no secret that this council is getting slimmer. We have lost 1,928 people since 2006, which is about 25 per cent of the workforce. Of these 828 people have been transferred to private companies through outsourcing and we currently employ 4,067, including schools staff, but expect the nationwide spending squeeze on local government funding to lead to an additional 700 posts being shed over the next 4 years. All of this means we need less space and costly leased buildings dotted across the borough is not cost effective.

The space used for civic office space has fallen from 51,420 square metres in 2006/07 to 39,773 square metres this year. As the council gets smaller, if the King Street project becomes a reality, the council's total civic office space will be just 28,000 square metres. If the project does progress it will also allow the council to terminate contracts for various costly leased buildings around the borough savings around £2 million a year. This is the lean slimmer-council model that delivers the best possible value for money for taxpayers.

I understand that some people are concerned about the potential height of the two tallest residential buildings. An independent financial assessment from PricewaterhouseCoopers (PwC) demonstrates that a reduction in storey heights would have a significant impact on the viability of this regeneration project. Reducing the heights of the two tallest building by two floors would reduce the viability of the scheme by around £10 million. I am enclosing a letter from PwC which expands on their viability appraisal further. Assessments from KSD and our property experts also show that to pay for the public benefits at no cost to the tax-payer, the scheme needs to be this size as the property market is not in the same condition as it was in 2007.

Some people have questioned the merits of the bridge over the A4 but Transport for London has said they will not accept a level crossing here due to concerns over safety and the speed of traffic along the busy six-lane carriageway.

In terms of the cinema on the corner of Nigel Playfair Avenue it is necessary to demolish it to deliver the wholesale regeneration of this end of King Street. The reality is, the current cinema is not economically viable and has been subsidised by the landowner for years. With the opening of the Vue multiplex at Westfield there is little commercial demand to continue operating an outdated cinema in King Street. H&F already has the second highest number of cinema screens in London per head of population.

All of these and other issues that relate to this application will be considered robustly against planning criteria at a Planning Applications Committee next year. The committee will consider the scheme against local and national planning policies and take into account all of the responses and comments that it receives.

The initial planning documents are available to view on the council's website now, at www.lbhf.gov.uk/planning, and all of the documents will be available from this Friday (November 5). The council's consultation is now open and closes on January 4, 2011.

While I remain committed to this scheme the Planning Committee's decision is independent of my role as Council Leader and the council's property team and the application will be considered on its merits.

Yours faithfully,

Councillor Stephen Greenhalgh
Leader of Hammersmith & Fulham Council