

The Development of East Greenwich Gas Works and the Greenwich Peninsula

Introduction

In 1988 I took a secondment from the Environmental Planning Department in the Production & Supply of British Gas to join the Estates Department, which was part of the then Secretariat at BG. My initial role was that of site manager of the former East Greenwich Gas works site (some 300+ acres) which was partly derelict, partly operational (some still part of BG South East) and partly occupied by a variety of industrial tenants. Most were legal occupants but some were illegal. My role was to ensure that all site occupants became legal tenants so as to ensure that rental income was maximised and that tenancies could be terminated in accordance with the law when BG wished to commence redevelopment of the site.

The site had been transferred into the ownership of Assethall Ltd, a holding company, in anticipation of its future development potential and partly (I believe) to make it more difficult for the Government (who had created the London Docklands Development Corporation (LDDC)) to purchase the site under a Compulsory Purchase Order. The LDDC were ambitious for land at that time.

Within 18 months all tenancies had been regulated and the site was generating the largest source of property income for BG - £2million/year which was used to finance the emerging development ambitions which BG had for the future of the site. BG subsequently created a new company - Port Greenwich Limited (PGL) - which became the development company which would drive forward the regeneration and redevelopment of the site. The BG principals involved with Port Greenwich Limited were Gil Hogg, Company Secretary, John Lowman, Chief Estates Officer and Michael Lynch (now a permanent member of the Estates Department) as Project Development Manager.

Below is a factual resume of how the former East Greenwich Gas Works site became the largest single regeneration/redevelopment project in the UK during the 90s and the new millennium. It is based on a statement of evidence I produced for a "Lands Tribunal Hearing" some years later. What now exists on the Greenwich Peninsula is solely due to the foresight and perseverance of BG (in its various forms and personnel) to develop this former gas works site, which is now a national and international landmark site.

Michael Lynch

Site History

Early 1800s – Industrial Development.

The site was used for an Ordnance factory during the Napoleonic wars, located on the peninsula because of the NIMBY (not in my backyard) factor. There was also a dry dock.

East Greenwich Gasworks

The gas works started up in the 1820s and spread over half the peninsula by the 1880s. Workers were shareholders before the first world war. By the 1940s/1950s it

was the largest European gasworks in terms of gas manufacturing capacity. Sir Denis Rooke (former Chairman BGC) commenced his career on the Ordnance Wharf sector of the gasworks. There were some 2,500 employees at peak. Some 250 workers worked on 3 x 8 hour shifts on Coal Jetty, which included changing areas, showers and a canteen. The Coal Jetty Superstructure (Derrick & Cranes) was removed in the late 20th Century. A sulphate and ammonia store with parabolic design was demolished in 1990. Gas production ceased in 1977 following the conversion of Britain's town gas network to natural gas. A butane/air plant (for enrichment of natural gas) was retained until 1987 and demolished in 1990.

Regeneration

Prior to regeneration the site was some 300 acres in size - some 60 acres of which were purchased by Port Greenwich Ltd after 1988 to facilitate the development proposals. It comprised:

- * The former gas works
- * The Dry Dock
- * Tar production works (Ordnance Wharf)
- * Chemical factory
- * Power station
- * Steel works
- * Aggregate importation plant
- * Coalite smokeless fuel plant.
- * Former petrol station.

At the commencement of regeneration work some 5 acres or so of land remained to be acquired from third parties to accommodate the final redevelopment proposals for which PGL had obtained planning consent.

1987 A Coopers & Lybrand report for the Government identified the peninsula land as capable of meeting housing needs of the London Borough of Greenwich (LBG) and the South East of England.

1988 LBG/BG prepared a "planning brief" for the redevelopment of the peninsula. The development was to be residential led, comprising: social housing, public open spaces and tennis courts, school/nursery/library/depot, surgery, shopping facilities, average height of development to be no greater than 3 to 4 stories.

1989 BG held a "development beauty competition" of prospective development partners. The following companies/joint ventures were considered: Olympia & York, Rosehaugh, Stanhope, Regalian, Countryside, British Urban Development (BUD). Prestigious architects such as Richard Rogers, Koetter Kim Associates, Terry Farrell were involved with various bidders.

BG selected BUD, who became partners in Port Greenwich Ltd (a joint venture company). BUD itself was a joint venture of Alfred McAlpine, AMEC, Balfour Beatty, Costain, Laing, MOWLEM, Robert McAlpine, Tarmac, Taylor Woodrow, Trafalgar House, Wimpey. The BUD team was led by Hartley Booth (who went on to become MP for Finchley, succeeding Margaret Thatcher) as Vice-Chairman of their joint

Venture. At the time BUD were selected Terry Farrell was their Architect and they were led by Michael Wand, Chief Executive of Trafalgar House.

The JV Project Team comprised:

- * Trafalgar House CE – J Burton
- * J. Laing Tech. Director O. Bayne
- * Taylor Woodrow G. Cuthbert Finance
- * BG - Michael Lynch Planning/Property/PR matters/Regulatory Liaison

Note: The JV would make an interesting case study in why JV (projects) fail.

December 1990. Port Greenwich Ltd. submitted first planning application, prepared by Llewelyn Davies.

February 1990 The Jubilee Line was clearly on the development horizon. It was at about this time that the JV with BUD began to become a nogo scenario from PGL's viewpoint, in that various members of the BUD consortia were withdrawing their support. The number of companies fell from 11 to 9 to 7 and then to 5 in a very short space of time – primarily due to the collapse of the property market.

January 1991. Greenwich Council published their Waterfront Strategy. This strategy showed a proposal which bore no relation to their own planning brief. No adequate explanations were forthcoming from anyone in the Council. The Waterfront Strategy demonstrated that Greenwich Council's strategic thinking was changing and that community views required further consideration.

February 1991 PGL agrees deal with London Underground Limited (LUL) to bring the Jubilee Line Extension (JLE) into Port Greenwich Site.

June 1991 Secretary of State for Environment, Michael Heseltine whilst visiting site considered the development plans were dull and boring. He preferred to see a development that "excited and caught the imagination", and was not impressed with the planning brief, to which Port Greenwich was being requested to comply.

At this point Port Greenwich Ltd. Once again became a wholly-owned subsidiary of British Gas as BUD withdrew from the joint venture.

July 1991 PGL began preparing a new application and commissioned Sir Norman Foster to design the "Northern Tip" Area ("The Dome" Site), and Koetter Kim, to design the "Central Belt" Area. Llewellyn Davis were retained to co-ordinate the interfaces. The new plan added value including provision for a JLE station, greater density (height of buildings), more commercial development, more public open space.

December 1991 Port Greenwich Ltd lodged second application.

October 15 1992 LBG resolved to grant consents subject to:

- (i) Any direction by the Department of the Environment under the terms of the Greenwich Peninsula Direction 1988.

- (ii) The satisfactory completion of a Deed of Planning Obligation to secure the provision of affordable housing, community benefits etc., as referred to in paragraph 9.2 of the Planning Committee Report of October 15, 1992.
- (iii) The 27 Conditions set out in the Planning Committee Report.
- (iv) The Conditions contained in the Department of Transport's Article 14 direction.

It was not commercially practicable for Port Greenwich Ltd. to pursue those conditions/agreements which were necessary if the committee resolution was to be taken forward to the granting of an Outline Planning Consent because of :

- * The adverse commercial impact of the Article 14 Direction in the proposed development (the Direction reduced the net developable area of the site by 10%),
- * The proposal by the Department of Transport to make the Third Blackwall crossing a bridge rather than a tunnel, creating long term blight both within the area of the Article 14 Direction and outside it over a wider area of the site,
- * The delay in a 'go ahead' for the Jubilee Line Extension,
- * The consequent uncertainty over the scale, nature and timing of the whole development.

1992 A further reason for not taking the application forward was that the Jubilee Line Extension was dependent on a £400 million contribution from Olympia & York who had gone into receivership in May 1992.

October 1993 LUL gave formal approval for JLE to proceed as soon as possible.

January 1994 Separate Planning Application submitted by Port Greenwich Ltd. for Jubilee Line Extension – Transport Interchange and Access Road.

February 1994 Millennium Commission formed.

June 1994 Planning consent granted by London Borough of Greenwich for Transport Interchange and Access Road.

June 1994 "Greenwich Millennium Bid Task Force" formed with PGL as a major player.

January 1995 Port Greenwich Ltd. agree to set aside 50 acres until 2002 for a National Millennium Exhibition Site at no cost to the nation.

June 1995 Millennium Commission announce "Bid Guidelines" for National Exhibition.

September 25 1995 Port Greenwich Ltd. submitted a new (third) application for the re-development of the Peninsula.

1995 PGL commence Joint Venture discussions with English Partnerships.

February/March 1996 Port Greenwich Ltd. commence re-development of the site by commissioning and letting contracts for the Jubilee Line Access Road; A102M modifications and new link roads; Statutory remediation of the Millennium Exhibition

Site – Phase 1; Remediation, raising of land levels, drainage to SE corner of site (now Sainsbury site).

December 1996 LBG grant consent to Port Greenwich Ltd. application for the redevelopment of the peninsula – some sixteen months after submission.

February 1997 Port Greenwich Ltd. sold site to English Partnerships.

Appendix 1. Jubilee Line Extension and North Greenwich Station

Jubilee Line Station

* JLE published proposed route in 1989. The route excluded the Greenwich peninsula. From Canary Wharf the line went to Brunswick Wharf then to Canning Town.

*Negotiations between Port Greenwich Limited (PGL) and Cecil Parkinson, Secretary of State for Transport took place late 1989 early 1990 to persuade government to reroute line from Canary Wharf to Port Greenwich.

*PGL/LUL deal struck February 1991 – BUD/JV partners unable to make a financial contribution. Hansard reported Michael Portillo saying to Joan Ruddock that BG's contribution was valued at £25million at Sept. 1989 prices.

*PGL financed and project managed the parliamentary process to amend the Jubilee Line bill which was completed in June 1991.

*Royal assent for JLE and North Greenwich Station granted 26th March 1992. JLE project put on ice due to O&Y (Canary Wharf developers) going into liquidation as they had promised a £400million contribution to JLE project. O&Y went into receivership 28th May 1992.

*Due to delay LUL took advantage of better geological conditions beneath Port Greenwich and moved the proposed Canary Wharf larger station to Greenwich. The original 1990 proposal was for a station and two tunnels equivalent to a 3.4 acre building footprint.

*What has been built is a station box with four tunnels but designed to accommodate up to 6 tunnels as connections for an additional link to the Royal Docks have also been built, equivalent to a 5.3 acre building footprint.

*Swapping this larger station from Canary Wharf to Greenwich probably saved LUL £millions but they have always been coy when pressed on this point.

*LUL announce formal go ahead and revised construction programme for JLE October 1993.

* PGL/LUL deal eventually finalised and signed and sealed in May 1995.

Appendix 2. Millennium Implications

***Greenwich Waterfront Development Partnership (GWDP)** formed 1991. BritishGas held one Directorship of the Partnership Board.

* **Britain's Millennium Festival** - Price Waterhouse Millennium Study - Commissioned 1992. The study was funded by the GWDP in association with Port Greenwich Ltd, the National Maritime Museum, Department of the Environment, Government Office for London, South Times Training and Enterprise Council, the Woolwich Building Society and Thamesmead Town Ltd. The principal funders were London Borough of Greenwich, Port Greenwich Ltd., DoE and the Maritime

Museum. This study explored the possibilities and proposed that the Greenwich Peninsula was an ideal place to locate Britain's Millennium Festival.

*The completed study was presented to Lord Young in February 1994 for consideration by the government who, at that time, were in the process of forming the Millennium Commission.

***Millennium Commission formed** – February 1994

***Greenwich University International Millennium Competition** launched March 1995 with the GWDP. The stated objective was to generate the widest range of ideas for the Greenwich Expo Site. Entrants were invited to "be limited only by their imagination". The Competition brief suggested some global and local themes which entrants could consider in designing their concepts:

Celebration

Exploration, discovery, navigation and astronomy

Greenwich and the Meridian

The River Thames and/or Environmental concerns

The Competition entries were exhibited at the National Maritime Museum (sponsored by the Evening Standard) and the winners were announced at a ceremony held on Friday 28th July 1995.

The second stage of the competition was never proceeded with as The Millennium Commission announced guidelines for the Millennium Festival Site Bids and indicated its intention to announce six possible locations by the end of June 1995 and then have a competitive appraisal.