

TEDDINGTON RIVERSIDE
SUMMARY OF VIABILITY ASSESSMENT
7 MARCH 2014



Haymarket Media Group is progressing plans to create a new global headquarters in the London Borough of Richmond. As a consequence, they have recently moved all of their staff from Hammersmith to their site at Teddington Riverside on a temporary basis pending the move. This has nearly doubled the number of people they employ in the Borough, making Haymarket the largest private sector employer.

The proposed site for the new headquarters is to be located at Richmond upon Thames College (RuTC) and will form part of the pioneering Richmond Enterprise and Education Campus. The funding required to develop the new headquarters will require capital receipts from the proposed redevelopment of Haymarket's Teddington Riverside site. It is anticipated that the new headquarters will be complete by end 2016 / early 2017.

The redevelopment proposals for Teddington Riverside comprise 219 new build residential homes, together with the refurbishment of an existing building on site (Weir Cottage). The quantum of development has been driven by the planning and design considerations that have emerged from extensive pre-application discussions and a number of public consultations.

Haymarket has commissioned Savills to undertake an independent and objective assessment of the financial viability of the proposed development at Teddington Riverside. The assumptions adopted within the assessment are Savills' professional view of the market conditions prevalent at Teddington Riverside and the financial criteria required to deliver developments of this type. Formal and independent advice in support of the report has also been provided by Stace and Colliers.

The results of the appraisals indicate that the development of the Teddington Riverside site is not financially viable using normal commercial measures, showing a deficit. A developer would be unlikely to progress the project on this basis. Haymarket is not a developer but an owner/ occupier (and has been for some 25 years in the Borough) with the stated objective of consolidating all of its buildings into a new global headquarters within the Borough, where it has had very strong links for a very long time. Whilst the capital receipts from the redevelopment of Teddington Riverside will be used to fund the investment in the new office building at the Enterprise and Education Campus, Haymarket is also committed to contributing towards the provision of affordable housing in the Borough, in addition to wider planning contributions of some £2.6m of Section 106 contributions.

The following package is therefore provided on an ex-gratia basis (in addition to £2.6m of Section 106 contributions):

- The provision of 12 units of shared ownership affordable housing on the Teddington Riverside site; and
- The payment of £3million for the provision of off-site affordable housing within LBR.

ENDS