



Working for England's World Class Region

17th October 2007

Our ref: R00017

Freedom of Information Request - SEEDA Funding of the Betteshanger Colliery Regeneration Project

Your Request:

In your request you refer to the minutes of our Board Meeting on 3rd February 2005. The issue referred to in this instance is an anticipated accounting adjustment in the value of the Betteshanger site in the books of SEEDA.

Information Response:

I can confirm that an adjustment of £5.4 million was made in respect of the financial year 2004/5 and a further adjustment of £3.1 million in financial year 2005/6.

As you will appreciate, the costs of remediating and bringing back into use a site such as Betteshanger (circa £18.7 million as we previously informed you) particularly where a large part of the site is used for a country park, will exceed the value of the remediated land on an open market basis. It is the recognition of this that is reflected in the above adjustments.

These figures reflect the range of values expected to be achieved following extensive master planning and the details of the planning permission which was subsequently secured. The nature of projects such as this, which could not be taken forward on a commercial basis, is one the main reasons the Agency is invited to lead such schemes which are regarded by the development market as far too high risk and loss making. The capital investment at Betteshanger was funded entirely by English Partnerships under the National Coalfields Programme, with the exception of the accounting adjustment.

The Programme was developed by English Partnerships and implemented by the RDAs specifically to address the legacy of industrial dereliction and degradation arising from the wholesale closure of the former colliery sites and spoil tips.

SEEDA discussed the issue of how to manage the accounting adjustments required in the Coalfield Programme with English Partnerships and other stakeholders.