

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD1556

Title: East India Dock – Rectification of Legal Title

Executive Summary:

In the late 1990's, London Docklands Development Corporation entered into a number of transfers of various parcels of land in relation to the redevelopment of East India Dock. It has come to light that due to an error in drafting, there is currently ambiguity around legal title and not all of the land was transferred as intended. The intention is therefore to resolve this ambiguity by GLA Land & Property Ltd formally disposing of its remaining property interests.

Decision:

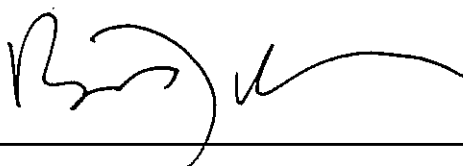
That the Mayor approves the disposal of GLA Land & Property Ltd.'s remaining interest in land at East India Dock, London E15 to Edgware Road (2015) Ltd for the sum of £1, subject to GLA Land & Property Ltd.'s legal costs being met by the purchaser.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

18.11.15

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 In 1998, London Docklands Development Corporation entered into transfers of various parcels of land which now comprise of a number of properties including Capstan House, Anchorgae House and Lighterman House at East India Dock, London.
- 1.2 At the time of transfer, the properties formed part of the wider East India Docks estate. The 1998 transfers were therefore transfers of part.
- 1.3 It has recently come to light that the drafting of the transfers was ambiguous in that they transferred land above ground and land below ground but the interpretation taken by Land Registry means that the land at ground level was not transferred and therefore is now part of the GLA Land & Property Ltd (GLAP) portfolio.
- 1.4 The properties in question are currently being sold and it was as a result of legal due diligence around the sale that the ambiguity was identified.
- 1.5 Subsequently, the GLA was approached by solicitors acting on the sale who have asked for the GLA's assistance in resolving this situation.
- 1.6 External solicitors acting on behalf of GLAP have reviewed the position and confirmed that this would appear to be a clear case of a drafting error, as there would have been no benefit in LDDC retaining an interest in the "crust" of the ground.

2. Objectives and expected outcomes

- 2.1 The objective is to correct a legal drafting error, resolving ambiguity with land registration and allowing the sale of the properties to proceed.
- 2.2 This approach will enable the situation to be resolved at nominal cost, avoiding the need for extensive legal research into historical activity which may not result in any additional relevant information becoming available.

3. Equality comments

- 3.1 Advice has been taken and it is not thought that there are any equality issues in this case.

4. Other considerations

- 4.1 There is no reason for GLAP to retain an interest in this land and any attempt to do so would result in an expensive legal investigation into the historical situation.
- 4.2 Having been made aware of this situation, rectify the historical error will ensure compliance with the Mayoral commitment to have an exit strategy in place for all GLAP assets by 2016.

5. Financial comments

- 5.1 Due to an historical legal drafting error, GLAP has been left with a nominal legal interest with no value and as such there is no financial implication to finalising disposal arrangements for consideration of £1.
- 5.2 Costs of completing the disposal will be met by the purchaser.

6. Legal comments

- 6.1 GLAP has been advised by Eversheds in respect of this rectification/transfer.
- 6.2 Section 30 of the Greater London Authority Act 1999 (as amended) (GLA Act) gives the Mayor a general power to do anything which he considers will further one or more of the principal purposes of the GLA as set out in section 30(2) which are:
- i. Promoting economic development and wealth creation in Greater London;
 - ii. Promoting social development in Greater London; and
 - iii. Promoting the improvement of the environment in Greater London
- 6.3 Section 333ZC of the GLA Act provides that the GLA may not dispose of land held by it for the purposes of housing and regeneration for less than the best consideration which can reasonably be obtained unless the Secretary of State consents. In this case it is agreed that LDDC should have transferred the land at ground level but this was omitted/not registered by the Land Registry in error. It is therefore considered that GLAP has never held the beneficial interest in this land. The transfer is therefore of the bare legal title only and accordingly it is considered that best consideration for the grant of this lease has been obtained in compliance with Section 333ZC of the GLA Act and the Secretary of State's consent to the disposal is not required.
- 6.4 It should be noted that as GLAP will be a party to the legal documentation, GLAP will also need to approve the proposed lease in accordance with its constitution.

7. Investment & Performance Board

- 7.1 This matter has not been referred to either IPB or HIG although it has been discussed with the Deputy Mayor for Housing, Land & Property and the Assistant Director, Housing & Land. Resolving issues of this nature is considered to be a routine property transaction and there are no financial implications for the GLA.

8. Planned delivery approach and next steps

Activity	Timeline
Finalise and execute transfer documentation	October 2015

Appendices and supporting papers:

Site Plan – The land hatched green is the subject of this MD

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:**Is the publication of Part 1 of this approval to be deferred? Yes**

For reasons of commercial sensitivity, publication should be deferred until after completion of the contract. The position to be reviewed in 30 March 2016

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – No

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Malcolm Beadle has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision.

✓

Assistant Director/Head of Service:

Simon Powell has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Sponsoring Director:

David Lunts has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Richard Blakeway has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature

M. D. [Signature]

Date

9.11.15

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

[Signature]

Date

16.11.2015



0 5 10 15 20 25 30 35 40 50m

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Data last updated 10:00pm 17 SEPTEMBER, 2016

Map scale 1:1250

