

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2898

Silvertown Quays – London Borough of Newham land acquisition

Executive summary:

Silvertown Quays (SQ) is a 50-acre development site in the Royal Docks Enterprise Zone owned by GLA Land and Property Ltd (GLAP). The Royal Docks Team has been working with The Silvertown Partnership (TSP) to move SQ to the construction phase and meet the contractual milestones of the Master Development Agreement (MDA). In December 2019 the London Borough of Newham (LBN) approved the detailed planning consent for the first phase of development which includes 943 homes and the refurbishment of the heritage building, Millennium Mills, as office and brand space.

In July 2021 the Mayor approved changes to the MDA to allow for an update to the planning consent for the site, to ensure it meets current Mayoral policy objectives and the recently adopted London Plan to deliver a higher quantum of affordable homes. TSP plans to commence enabling works for phase one in early 2022 in parallel with progressing design work on the masterplan. A parcel of LBN-owned land measuring 1.82 acres, adjacent to North Woolwich Road, sits within the phase one area and is required for development (see plan at Appendix 1). This Mayoral Decision seeks approval for GLAP to acquire this parcel of land from LBN and include it in the SQ site demise, which will be drawn down by TSP.

Decision:

That the Mayor approves GLA Land and Property Ltd acquiring a parcel of land on North Woolwich Road from the London Borough of Newham and disposal of the same to The Silvertown Partnership as part of the wider development.

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:

8/12/21

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

Decision required – supporting report

1. Introduction and background

- 1.1. Pursuant to a competitive procurement process, launched in 2011, GLAP selected TSP as its development partner and entered into the MDA with TSP in June 2013 to deliver a mixed-use redevelopment on the SQ site in the Royal Docks. TSP submitted an outline planning application in 2014, which was approved by LBN and the previous Mayor of London in December 2015; the section 106 agreement was signed in August 2016. In 2018 GLAP approved a change-of-control event involving a corporate restructuring of the ownership interests in TSP, and the entry into the associated documents.
- 1.2. In December 2019 the LBN approved the detailed planning consent for the first phase of development, which includes 943 homes and the refurbishment of the heritage building, Millennium Mills, as office and brand space.
- 1.3. In July 2021 the Mayor agreed to changes to the MDA to allow for an update to the planning consent for the site, to ensure it meets current Mayoral policy objectives and the recently adopted London Plan to deliver a higher quantum of affordable homes. More detail of these changes and documents can be found in Mayoral Decision (MD) 2784, which was published in September 2021.
- 1.4. The bulk of historic approvals have been to consent to stages in the project, as follows:
 - MD977 (March 2012) – adoption of the London Development Agency’s procurement process
 - MD1205 (May 2013) – signing of the MDA with TSP
 - MD1410 (November 2014) – investment of grant from the Department for Communities and Local Government into the site
 - MD1653 (May 2016) – signing of the section 106 agreement relating to the Outline Planning Permission
 - MD2280 (May 2018) – approval of the change of control under the MDA
 - MD2523 (October 2019) – endorsement of objective to achieve 50 per cent affordable housing in new OPP
 - MD2784 (July 2021) – approval to vary the MDA to include a minimum requirement of 50 per cent affordable housing and extensions to project milestones due to the impact of COVID-19.
- 1.5. TSP has been preparing to start enabling works on site in early 2022. It has been preparing a pre-construction service agreement and undertaking due diligence in regards to access rights and easements.
- 1.6. A parcel of LBN-owned land adjacent to North Woolwich Road sits within the phase one area and is required for development (see plan at Appendix 1). GLAP is seeking authority to purchase the LBN land, which it will then transfer to TSP under the terms of the MDA; the land will be included in the scheme along with the land payment due from TSP for the SQ site as a whole.

2. Objectives and expected outcomes

- 2.1. The strategic objectives of the GLA are in line with those in the original procurement launched by the London Development Agency, namely: to achieve the comprehensive redevelopment of this large,

brownfield site; to provide a new heart for the Royal Docks; and to deliver a mixed-use development. This decision does not alter these objectives.

- 2.2. To meet the first objective of achieving the comprehensive redevelopment of the site, it is important that the masterplan integrates with the urban realm outside of the site. The masterplan and phase one design therefore need to address and integrate with the North Woolwich Road, which borders the site on the southern side. The road runs through the southern part of the Royal Docks and connects North Woolwich, City Airport and Canning Town. The character of the road is changing as an increasing number of residential developments are completed along its edge, and as the road becomes a street.
- 2.3. To make the streetscape and urban realm more appealing, it is important for the SQ site to have an active frontage onto North Woolwich Road. This requires key design and masterplan decisions about where building lines are, how close to the street development is, how landscaping is incorporated and how significant changes in level are managed.
- 2.4. The existing outline planning consent, the proposed improvement scheme for North Woolwich Road and the detailed planning consent for Phase 1 all assume a consistent position for the buildings fronting onto North Woolwich Road. This approach has been design-led to result in the best possible urban design outcome.
- 2.5. LBN land that was once designated as highways land has been 'stopped up' by LBN's highways team and can now be used for the development of the phase one plots. A transfer of this land from LBN to GLAP is required so that GLAP can transfer this land to TSP under the phase one headlease, and the land can then be covered by the price paid by TSP to GLAP for the whole SQ site as anticipated in MD2784.
- 2.6. The acquisition of the land by GLAP from LBN will enable it to be incorporated into the scheme, enable phase one to be constructed as per the planning consent and significantly improve the connections between the SQ site, North Woolwich Road and the area to the south.
- 2.7. LBN and GLAP have been discussing the transfer for some time, but now that development is more certain both parties feel it is the appropriate time to value the land and complete the transfer. The attached part 2 of this Decision sets out commercially sensitive information regarding the acquisition.
- 2.8. Both parties, as public bodies, are required to meet best-consideration obligations, and therefore both have taken commercial advice from valuation agencies to support the respective valuations. GLAP's valuation is supported by Knight Frank, whose report is included as an annex to Part 2.

3. Equality comments

- 3.1. Under section 149 of the Equality Act 2010 (the Equality Act), as a public authority, the GLA must have 'due regard' to the need to eliminate unlawful discrimination, harassment and victimisation; and to advance equality of opportunity, and foster good relations, between people who share a protected characteristic and those who do not. Protected characteristics under the Equality Act comprise age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.
- 3.2. When considering the needs of the existing community and those that will be affected by the proposed development (both currently and in the future development scheme), any development activity will look to minimise disadvantages to all protected characteristic groups within society. This decision is therefore expected to have positive impacts on persons with a protected characteristic under the Equality Act. This is because increasing the supply of housing in London will help to address problems such as overcrowding and homelessness, which evidence indicates disproportionately affect specific groups, including Black, Asian and Minority Ethnic groups, and women.
- 3.3. The development of SQ will deliver strategic objectives from the Mayor's Equality, Diversity and Inclusion Strategy (section: making London a great place to live).

- 3.4. Officers will be working to deliver new affordable homes on the site and the land being acquired from LBN, in line with the London Plan. This will advance equality of opportunity for groups with a protected characteristic.
- 3.5. LBN is one of the most disadvantaged boroughs in London and one of the most diverse in terms of faith and ethnicity. It is paramount to redevelop this key strategic site in the Royal Docks in a sustainable way and consider how the regeneration of the area will provide benefits for all local communities. The outline masterplan will be designed to respond to the diversity of the surrounding area; and, in the design of the landscape and homes, will follow all relevant building regulations to create an accessible development in the Royal Docks.
- 3.6. There is a high proportion of young people in LBN compared to other London boroughs. The play space, landscaping and education facilities will create opportunities for communities to come together and foster good relations between diverse groups.
- 3.7. The proposals in this paper have no negative impact on those with protected characteristics. The GLA's assessment is that this initiative will not have an adverse effect on any groups with a protected characteristic and will assist in fostering good relationships between groups. All tender processes for consultants will conform with The Equality Act and will have no negative impact on those with protected characteristics.

4. Other considerations

- 4.1. This decision outlines an opportunity to proceed with a scheme which will comprehensively redevelop a significant brownfield site in East London and make the best use of, and maximise affordable housing, on public sector-owned land.
- 4.2. The revised outline masterplan for SQ will help implement a number of the Mayor's policies, such as those outlined in the new London Plan 2021, the Healthy Streets Approach, the Culture Strategy, the London Housing Strategy and the Transport Strategy; and is aligned with the Mayor's Equalities Framework to consider the requirements of relevant equalities groups. The residential development will be required to meet building safety standards that the Mayor has applied to GLA land.
- 4.3. As the project sits on GLA-owned land, when the GLA considers the planning application, the Mayor will delegate authority to the Deputy Mayor for Planning, Regeneration and Skills, as is the protocol in these scenarios.
- 4.4. There are no conflicts of interest to note for any of those involved in the drafting or clearance of the decision.

5. Financial comments

- 5.1. The decision is seeking approval for GLAP to acquire a parcel of land from LBN. Further details on the acquisition are contained in part 2 of this Decision.

6. Legal comments

- 6.1. Section 30 of the Greater London Authority Act 1999 (as amended) (GLA Act) gives the Mayor a general power to do anything that he considers will further one or more of the principal purposes of the GLA as set out in section 30(2), which are:
 - promoting economic development and wealth creation in Greater London
 - promoting social development in Greater London

- promoting the improvement of the environment in Greater London.

6.2. In formulating the proposals in respect of which a decision is sought, officers confirm they have complied with the GLA's related statutory duties to:

- pay due regard to the principle that there should be equality of opportunity for all people
- consider how the proposals will promote the improvement of health of persons in Greater London, promote the reduction of health inequalities between persons living in Greater London, contribute towards the achievement of sustainable development in the United Kingdom and contribute towards the mitigation of or adaptation to climate change in the United Kingdom
- consult with appropriate bodies.

6.3. Sections 1 to 3 of this report indicate that the decision requested of the Mayor falls within the GLA's statutory powers.

6.4. Further legal comments are provided in Part 2 of this Decision.

7. Planned delivery approach and next steps

7.1. The planned delivery approach and next steps for the project are outlined in the table below.

Activity	Timeline
LBN Cabinet Decision	November 2021
Mayoral Decision	December 2021
Transfer	December 2021
Start on site of Silvertown Quays	Spring 2022

Appendices and supporting papers:

Appendix 1 – Plan of the LBN Land to be acquired

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) 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 it has been approved or on the defer date.

Part 1 – Deferral

Is the publication of Part 1 of this approval to be deferred? No

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – YES

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Bethan James has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

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

✓

Mayoral Adviser:

Tom Copley has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 29 November 2021

EXECUTIVE DIRECTOR, RESOURCES:

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

D. Bone

Signature

Date 02 December 2021

CHIEF OF STAFF:

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

D. Bellamy

Signature

Date 02 December 2021