

## REQUEST FOR MAYORAL DECISION – MD1591

### Title: Disposal of 4 acres of land at Royal Albert Dock

#### Executive Summary:

Approval is sought to dispose of four acres of land in the east of the Royal Albert Dock to the University of East London (UEL) to enable the development of this land for educational uses.

It is proposed that GLA Land and Property (GLAP) enters an option agreement with UEL which will enable the University to draw down long leases in 3 phases, subject to meeting a number of conditions precedent as set out in the agreed heads of terms.

#### Decision:

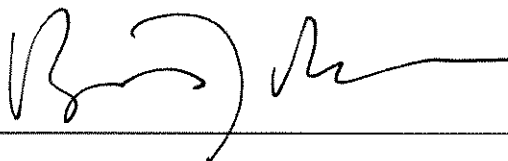
The Mayor approves GLA Land and Property Ltd entering an option agreement with UEL to enable them to draw down long leases of four acres of land in the east of the Royal Albert Dock to enable development, subject to meeting a number of conditions precedent.

#### 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:

13.1.2016

## **PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR**

### **Decision required – supporting report**

#### **1 Executive Summary**

- 1.1 This paper seeks Mayoral approval to dispose of four acres of land in the east of the Royal Albert Dock to the University of East London (UEL) to enable them to expand their campus operations.
- 1.2 It is proposed that GLA Land and Property (GLAP) enters an option agreement with UEL which will enable the university to draw down long leases of the site in 3 tranches, subject to meeting a number of conditions which are set out in part 2 of this paper.

#### **2 Introduction and Background**

- 2.1 UEL occupies approximately 20 acres of land at the eastern end of the Royal Albert Dock (RAD). GLAP owns the freehold of this land and let it to UEL under three 200 year leases which were granted to UEL in 1997. A plan of the campus and the existing UEL leases is attached at Appendix A.
- 2.2 UEL has developed out the majority of the campus for a range of educational uses and ancillary parking, student accommodation and recreation space.
- 2.3 UEL has subsequently approached the GLA on a number of occasions with a view to acquiring the 4 acres of land directly to the west of the existing campus, which GLAP owns freehold, to support the expansion of their operations in the Royal Docks.
- 2.4 This land has been reserved out of the RAD site and is located between the site allocated to ABP and UEL's existing campus (see plan attached at Appendix B). This land was purposefully excluded from the main RAD site to facilitate the expansion of the University.

#### **3 UEL Proposal**

- 3.1 UEL approached the GLA again in early 2015 with a new proposal for the site. The University's plan for the site is based on the division of the site into four one-acre quadrants. In headline terms, UEL plans to develop a Design and Engineering University Technical College (UTC) in partnership with the Department for Education (DfE), Thames Water and Costain which will provide 750 places for 14-19 year olds. Students will specialise in engineering, construction, art, design and applied science.
- 3.2 In order to secure DfE funding, the UTC must open in September 2016. Given the project is at a very early stage, UEL will not be able to open a permanent facility by this date. As such, a temporary UTC will be constructed and operated on the 4 acres until the permanent facility is completed and opened in September 2017.
- 3.3 UEL is also exploring ideas for further academic functions on the site and will develop their plans during the option period.
- 3.4 As part of the development, UEL will deliver a new road access from Royal Albert Way to serve the development and UEL will work with the GLA, ABP and LB Newham to explore vehicular and pedestrian connections between the new development and the ABP site.
- 3.5 UEL has confirmed it has available funding to deliver the UTC, access road and associated recreational space.

#### **4 Objectives and expected outcomes**

- 4.1 The disposal of the land to UEL will enable the University to deliver a valuable new UTC in the Docks, taking advantage of available DfE funding.

- 4.2 The UTC will offer a unique opportunity to develop a long-term partnership with Thames Water and other major construction partners which could see the local communities of East London benefit greatly from the Thames Tideway Tunnel Project. Contracts and finance for the Tunnel project have been agreed and construction work is scheduled to take place from 2016 until 2023. This will be the largest infrastructure project ever undertaken by the UK water industry.
- 4.3 The Thames Tideway Tunnel project will create more than 4,000 direct, sustainable, skilled technical jobs and another 5,000 jobs indirectly. It will offer hundreds of apprenticeships and work placements and its delivery partners are committed to employing local people. The pipeline of students emerging from the UTC is a key component of the workforce planning undertaken by UTC's employer partners such as Thames Water, Costain and Skanska.
- 4.4 The development of the site for the proposed uses therefore aligns with and has the potential to make a positive contribution to the Mayor's Vision for the Royal Docks which seeks to transform the area into a world-class hub for high technology, research and green enterprises and a leading forum for the exchange of knowledge and ideas.

## **5 Equality comments**

- 5.1 Consideration has been given as to how the proposed disposal relates to the public sector equality duty and the potential impacts of this decision.
- 5.2 Since its foundation in 1898, UEL has had a longstanding commitment to its East London communities. A key component of this vision is to become the 'People's University' and offer education and employment opportunities that local people would otherwise not have enjoyed.
- 5.3 This vision is reflected in UEL's new Corporate Plan which outlines its vision for becoming London's leading University for civic engagement, committed to social justice and mobility and building and reinforcing connections between students, staff and East London's communities.
- 5.4 At present, UEL has 19,000 students from over 120 different countries, of which some 70% are from Black, Asian and Minority Ethnic Groups. Around 50% of students come from within a ten mile radius and almost 52% are from low socio-economic groups (compared to 32.8% across the rest of the country). The majority of students are the first in their families to go to university and may not have a traditional academic background. About 50% are mature students.
- 5.5 The development of the four acre site to the west of the Dockland's campus would build and enhance UEL's vision for civic engagement and offering unique educational and employment opportunities to the communities of East London. The new UTC will offer a unique opportunity to develop a long-term partnership with Thames Water and other major construction partners which could see the local communities of East London benefit greatly from training and employment opportunities created by the Thames Tideway Tunnel Project.
- 5.6 This could contribute to meeting part of the duty. In particular, it could help to foster good community relations and promote understanding. It could also help advance equality of opportunity; for example, for those from lower socio-economic groups.

## **6 Other considerations**

- 6.1 The risks associated with this disposal, and the proposed mitigations, are considered in part 2 of this report.

## **7 Financial comments**

- 7.1 GLAP plans to dispose of four acres of land to UEL. The land will be draw down in tranches and UEL will be granted options for each drawn down. The disposal of each phase will be subjected to VAT.

## **8 Legal comments**

8.1 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

and, 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; and
- consult with appropriate bodies.

8.2 Sections 1 of Part 1 and 1 -7 of Part 2 of this report indicate that the decision requested of the Director falls within the GLA's statutory powers.

## **9 Investment & Performance Board**

9.1 The proposed disposal was reviewed and endorsed by Housing Investment Group on 16<sup>th</sup> September 2015.

## **10 Planned delivery approach and next steps**

<b>Activity</b>	<b>Timeline</b>
Enter Option Agreement	January 2016
Draw down of leases for development	From May 2016

**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?** **NO**

If YES, for what reason:

Until what date: (a date is required if deferring)

**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 – YES**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

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

✓

**Assistant Director:**

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 Blakeway*

**Date**

*5.1.16*

**CHIEF OF STAFF:**

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

**Signature**

*Edmund Hill*

**Date**

*11:01:2016*

