

## REQUEST FOR DIRECTOR DECISION – DD2615

### Title: Greenwich Peninsula Plot Drawdown – Plot 19.05

#### Executive summary:

The Executive Director of Housing and Land and the Executive Director of Resources is requested to approve the grant by GLA Land and Property Limited (GLAP) of a lease to Knight Dragon Developments Limited in respect of plot 19.05 at Greenwich Peninsula. The development of this plot will provide 431 homes, and is pursuant to the 2015 masterplan outline planning application. This decision is delegated to the Executive Directors in accordance with MD1111, in order to provide clear separation between the Mayor's planning decision-making powers and his ability to make decisions affecting development on GLAP land.

#### Decision:

That the Executive Director of Housing and Land and the Executive Director of Resources approve entry into a development agreement and lease for plot 19.05 to Knight Dragon Developments Limited, pursuant to the Land Disposal Agreement between GLA Land and Property Limited, and Knight Dragon, together with ancillary legal documents.

#### AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

**Name:** Tim Steer

**Position:** Executive Director, Housing and Land

**Signature:**



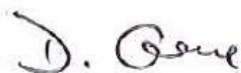
**Date:**

19/12/2022

**Name:** David Gallie

**Position:** Executive Director, Resources

**Signature:**



**Date:**

19/12/2022

## **PART I – NON-CONFIDENTIAL FACTS AND ADVICE**

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

#### **1. Introduction and background**

- 1.1. The regeneration of the Greenwich Peninsula is a priority for the Mayor and represents one of the largest development projects involving public land in London. The option to develop the Greenwich Peninsula site, which comprises 67 separate plots, was fully acquired by Hong Kong-based development company Knight Dragon Developments Limited (KD) in 2013, through its acquisition of the joint venture development vehicle from former owners Quintain and Lend Lease.
- 1.2. All development on the Peninsula comes forward under the terms of the Land Disposal Agreement (LDA), a development agreement entered into in 2002 by Greenwich Peninsula Regeneration Ltd (then a joint venture development company) and English Partnerships. The LDA gives KD exclusive rights to develop plots owned by GLA Land and Property Limited (GLAP) that form the Greenwich Peninsula area, provided that certain minimum development requirements are met.
- 1.3. Development decisions on Greenwich Peninsula are delegated to the Executive Director of Housing and Land, and the Executive Director of Resources, under MD1111. This is to avoid a conflict of interest on projects that may require new planning consents on the Mayor's land.
- 1.4. KD took full control of the 2004 masterplan area outline planning application in 2013 (ref: 02/2903/O). A subsequent outline planning permission for the 2015 masterplan was approved in December 2015 (ref: 15/0716/O). This 2015 masterplan has been implemented, and plot 19.05 falls within the 2015 masterplan area.
- 1.5. A new housing delivery strategy at Greenwich Peninsula was agreed under DD2353 in 2019; and updated under DD2596 in August 2022. The strategy seeks to increase and accelerate the delivery of affordable homes on the Peninsula through the introduction of new affordable housing delivery partners. Plot 19.05 is not directly impacted by this new housing delivery strategy.
- 1.6. A mini-masterplan, known as the 2019 masterplan, was submitted by KD in August 2019 (ref: 19/2733/O) to RBG and approved by the Borough on 1 September 2022 to reflect the new housing strategy. This application increased the overall number of homes to be delivered on the Peninsula by 1,757 to make a total of 17,487. It increased the level of affordable housing from 25 per cent by unit under the 2015 masterplan to 28 per cent by unit (30 per cent by habitable room). This was supported by the delivery of up to 60 per cent affordable housing within the Brickfields neighbourhood of the Peninsula, to be delivered by affordable housing partners in the new housing delivery strategy. The red-line plan, showing the demise of the 2019 masterplan area, with the 2015 masterplan around surrounding is shown in the appendix.
- 1.7. While plot 19.05 falls within the 2015 masterplan area, it is bound by the 2019 masterplan section 106 agreement. Planning permission for plot 19.05 was granted by the Royal Borough of Greenwich on 1 September 2022, comprising 431 homes with associated landscaping. It has been designed in a perimeter block typology, composed of four buildings that range from 12 to 20 storeys in height. The proposed development is in accordance with the 2015 masterplan parameter plans. As permitted by the 2019 masterplan section 106 agreement, plot 19.05 will be a fully private tenure plot. It is being delivered simultaneously alongside Plots 18.02 and 18.03 by L&Q, who will be delivering no less than 60 per cent affordable housing.
- 1.8. The section 106 agreement requires a rolling minimum of 28 per cent affordable housing, ensuring it does not reduce site-wide below this threshold. At present, 2,572 homes have been delivered on the Peninsula, of which 37 per cent are affordable.

- 1.9. Plot 19.05 is located towards the south-east corner of the 2019 masterplan area, within the Lower Riverside neighbourhood. A plot plan is provided within the appendix. The scheme will deliver a minimum land value (MLV) to GLAP in accordance with the terms of the LDA.

## **2. Objectives and expected outcomes**

- 2.1. This decision will permit KD to enter into a development agreement with GLAP and to drawdown the plot lease for 19.05. The development agreement and lease will be granted in accordance with the terms of the 19.05 plot option agreement and the LDA.
- 2.2. The objectives are to:
- deliver development in accordance with the approved masterplan
  - provide MLV to GLAP on grant of the leasehold interest
  - support the long-term regeneration of the Greenwich Peninsula.
- 2.3. KD has appointed its contractor, and has commenced enabling works under licence. Construction is forecast to substantially commence in January 2023, and complete in January 2025.

## **3. Equality comments**

- 3.1. Under section 149 of the Equality Act 2010, functions of the GLA exercisable by the Mayor are subject to a public sector equality duty and must have 'due regard' to the need to:
- eliminate unlawful discrimination, harassment and victimisation
  - advance equality of opportunity between people who share a relevant protected characteristic and those who do not
  - foster good relations between people who share a relevant protected characteristic and those who do not.
- 3.2. Protected characteristics under section 149 of the Equality Act are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.
- 3.3. The Mayor's Equality, Diversity and Inclusion Strategy, 'Inclusive London' (2018), provides strategic objectives in chapter 1, 'A great place to live'. The Mayor wants all Londoners to have good-quality homes, at a price they can afford. In 2019, the Greenwich Peninsula was partly amongst the 20 per cent most deprived neighbourhoods in the country. Across the Royal Borough of Greenwich, 31 per cent of households in 2020 had incomes under £25,000; this is an indicator of households that are in relative poverty. The data source comes from CACI Paycheck in Greenwich's ward profile for 2020.<sup>1</sup>
- 3.4. The Greenwich Peninsula masterplan area in its entirety is providing a total of 17,487 homes, of which 30 per cent will be affordable homes. The delivery of the masterplan will therefore provide an important contribution to the local and strategic housing need. Plot 19.05 is a fully private tenure plot, although it supports wider viability of the masterplan that increases affordable housing levels site-wide across the Peninsula.
- 3.5. KD has an employment and skills plan, and a community investment plan, for plot 19.05. These include the following, which will seek to advance equality of opportunity for disadvantaged groups, including those with protected characteristics:
- £16m-plus projected social value through the construction stage

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<sup>1</sup> Royal Borough of Greenwich, [Ward profiles – based on a variety of data sources](#), 2020

- 25 new jobs to local people (Greenwich and Thames Gateway areas) on contract for one year or the whole duration of the contract (whichever is shorter), employed through the supply chain
  - 100 per cent of jobs advertised through Greenwich Local Labour and Business
  - a minimum of eight education activities delivered per year with local schools and training providers
  - minimum of eight community investment activities per year
  - 240 hours volunteered per year.
- 3.6. KD and its contractor will monitor and report on diversity and inclusion data to measure the impact of the employment and skills plan, and the community investment plan, for plot 19.05. Data reported will include the previously unemployed; those rehabilitating, or reoffenders; and the proportion of disabled individuals, women, and those from a Black, Asian or Minority Ethnic background who are supported.

#### **4. Other considerations**

##### *Key risks and issues*

- 4.1. GLA officers have worked closely with KD to provide information and approvals in a timely manner to allow the developer to proceed with certainty. GLA officers have also worked closely with their legal advisers to review the legal documents in advance and ensure any issues are addressed.
- 4.2. The site has planning permission, and pre-commencement conditions have been discharged. KD has a contractor in place, and has commenced enabling works under licence ahead of the development agreement and lease being entered into.

##### *Links to Mayoral strategies and priorities*

- 4.3. The Greenwich Peninsula is an Opportunity Area, designated in the London Plan (March 2022). The Opportunity Area has an indicative capacity for 17,000 new homes and 15,000 new jobs. Policy SD1, 'Opportunity Areas', sets out the need for Opportunity Areas to fully realise their growth and regeneration potential, including the requirement that Opportunity Areas maximise the delivery of affordable housing, and creative mixed and inclusive communities. The delivery of plot 19.05 will support the wider regeneration of the Greenwich Peninsula and will contribute 431 new homes within the Opportunity Area.

##### *Consultations and impact assessments, including data protection*

- 4.4. Statutory consultation was undertaken by the Local Planning Authority as part of the consideration of the reserved matters planning application for plot 19.05. In addition to this, KD has consulted with residents.
- 4.5. GLA officers have not undertaken any consultation in addition to that outlined above. It has not been considered necessary or appropriate to consult any persons or bodies including those specified in section 32(1) of the Greater London Authority Act 1999.
- 4.6. There are no known conflicts of interest to declare for those involved in the drafting or clearance of this DD.

#### **5. Financial comments**

- 5.1. Financial comments concerning GLAP's MLV have been provided in the part 2 confidential paper.

## 6. Legal comments

- 6.1. The foregoing sections of this report indicate that the decision requested falls within the statutory powers of the Authority exercisable by the Executive Director of Housing and Land, and the Executive Director of Resources (having delegated authority via MD1111 pursuant to section 38 of the Greater London Authority Act 1999), to do such things considered facilitative of or conducive to the promotion of economic development, social development and the improvement of the environment in Greater London.
- 6.2. Therefore, the Executive Director of Housing and Land and the Executive Director of Resources (pursuant to their delegated authority granted under MD1111) may approve the proposed entry into the agreement and other legal documents referred to in this report if satisfied with the content of this report.
- 6.3. As GLAP will be the party to the documentation, GLAP will also need to approve the proposed documentation in accordance with its constitution.

## 7. Planned delivery approach and next steps

Activity	Timeline
Completion of development agreement and lease	December 2022/January 2023
Forecast 19.05 substantial start on site	January 2023
Forecast 19.05 practical completion	January 2025

### Appendices and supporting papers:

- 2019 masterplan area (red line plan)
- Plot plan
- CGI image of the proposed development of Plot 19.05

## 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? YES

If YES, for what reason: publication to be deferred until the legal documents have completed.

Until what date: 31 January 2023

## Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under the 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:

Sarah Birt has drafted this report in accordance with GLA procedures and confirms the following:

✓

### 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.

✓

### Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

### Corporate Investment Board

A summary of this decision was reviewed by the Corporate Investment Board on 19 December 2023.

✓

## EXECUTIVE DIRECTOR, RESOURCES:

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

**Signature**

**Date**

**19/12/2022**

