

**DMPC Decision – PCD 1179****Title:** Lease Surrender - Tower Bridge Business Park, Mandela Way**Executive Summary:**

The warehousing facility at Tower Bridge Business Park, Mandela Way is surplus to requirements and this paper seeks an early surrender of the lease in order to minimise rental and operating costs until the end of the lease term. The surrender premium is set out in the restricted part 2 of this paper

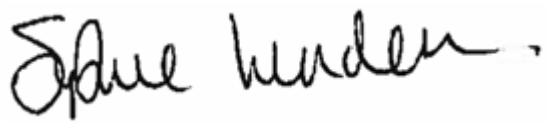
**Recommendation:**

The Deputy Mayor for Policing and Crime is recommended to agree to the surrender of lease of Units A and B Tower Business Park Mandela Way to the Freeholder, the Duchy of Lancaster as set out in the Part 2 decision sheet.

**Deputy Mayor for Policing and Crime**

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

**Signature****Date****21/04/2022**

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

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

- 1.1. MOPAC has a 35-year lease for the Mandela Way business park warehousing facility which expires on 22 September 2023. The lease terms include a rent of £1,120,000 per annum on fully repairing and insuring terms.

### **2. Issues for consideration**

- 2.1. Following the completion of the new warehousing facility at Belvedere this facility is surplus to requirement, and so this paper seeks the early surrender of the lease in order to minimise costs.

### **3. Financial Comments**

- 3.1. The annual rental for the office is £1,120,000. The negotiated early surrender premium is set out in the restricted section of this paper as it is commercially sensitive. The proposed cost will be met from within the existing MPS reserves.

### **4. Legal Comments**

- 4.1. In carrying out its functions, the MOPAC may, under paragraph 7, Schedule 3 of “the Act” “do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of the functions of the Office.” This includes entering into contracts and other agreements, in addition to acquiring and disposing of property (including land) under paragraph 7 (2) (b) of Schedule 3 of “the Act.”. The surrender constitutes the disposal of property.
- 4.2. Paragraph 4.16 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve all surrenders of leases.

### **5. Commercial Issues**

- 5.1. The commercial details of the surrender are set out in the restricted section of this paper.

### **6. GDPR and Data Privacy**

- 6.1. MOPAC will adhere to the Data Protection Act (DPA) 2018 and ensure that any organisations who are commissioned to do work with or on behalf of MOPAC are fully compliant with the policy and understand their GDPR responsibilities.
- 6.2. The MPS assure that the project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.

## **7. Equality Comments**

- 7.1. MOPAC is required to comply with the public sector equality duty set out in section 149(1) of the Equality Act 2010. This requires MOPAC to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations by reference to people with protected characteristics. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.2. The MPS assure that there are no equality or diversity issues arising from this paper.

## **8. Background/supporting papers**

- Appendix 1 MPS Report - Surrender, Units A&B Tower Bridge Business Park, Mandela Way, London

**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 MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

**Part 1 Deferral:**

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

If yes, for what reason:

Until what date: N/A

**Part 2 Confidentiality:** Only the facts or advice considered as likely to be exempt from disclosure under the FOIA 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**

*Tick to confirm statement (✓)*

**Financial Advice:**

The Strategic Finance and Resource Management Team has been consulted on this proposal.

✓

**Legal Advice:**

The MPS legal team has been consulted on the proposal.

✓

**Equalities Advice:**

Equality and diversity issues are covered in the body of the report.

✓

**Commercial Issues**

Commercial issues are covered in the body of the report.

✓

**GDPR/Data Privacy**

GDPR compliance issues are covered in the body of the report .

✓

**Drafting Officer**

Alex Anderson has drafted this report in accordance with MOPAC procedures.

✓

**Director/Head of Service:**

The interim MOPAC Chief Finance Officer and Director of Corporate Services has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.

✓

**Chief Executive Officer**

I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime.

**Signature**

*Alan Hutchinson*

**Date 12/04/2022**





**Surrender, Units A&B Tower Bridge Business Park, Mandela Way, London**

**Portfolio and Investment Board – March 2022  
MOPAC Investment Advisory Monitoring - April 2022**

**Report by the Director of Property Services on behalf of the Chief of Corporate Services**

**Part 1 – This section of the report will be published by MOPAC. It is classified as OFFICIAL – PUBLIC**

### **Summary**

This report seeks approval to surrender Units A&B Tower Bridge Business Park, Mandela Way, London.

### **Recommendations**

The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

1. **To agree to the surrender of lease of Units A&B Tower Business Park Mandela Way to the Freeholder, the Duchy of Lancaster as set out in Pt 2.**

### **Time sensitivity**

A decision is required from the Deputy Mayor by 29 April 2022.

### **Non-confidential facts and advice to the Deputy Mayor for Policing and Crime**

### **Introduction and background**

1. Mandela Way comprises four units constructed in 1987/88. Units A&B are let to MOPAC and are on the west side of the scheme. Each unit comprises a warehouse with an ancillary two storey detached office creating a combined floor space of 64,118sqft
2. MOPAC occupy under the following terms:
  - i. Full Repairing & Insurance lease dated 15 February 1989 for a term of 35 years commencing 23 September 1988 and expiring on 22 September 2023.

- ii. Rent passing £1,120,000pa
  - iii. User clause permits 'B8' warehousing but not' B1 B2' light / general Industrial
  - iv. Alienation permits assignment of whole and subletting of whole or individual units to third parties.
3. Following the completion of the new warehouse facility at Belvedere, Mandela Way is now surplus to requirement. The running costs for this facility are substantial and no corporate budget provision has been made for 2022/23 onwards.
4. Knight Frank were instructed to explore the options for an early release of the lease and to produce a marketing report and dilapidations assessment schedule.

### **Financial, Commercial and Procurement Comments**

- 1. MOPAC have not occupied Mandela Way since March 2021 onwards. Property Services are seeking approval to surrender the lease as set out in Part Two.
- 2. The lease surrender will reduce running costs, contributing towards the £48M revenue savings as included in the Medium Term Financial Plan.
- 3. One off dilapidation costs will be met from the earmarked reserve.
- 4. A more detailed breakdown of the financial impact is attached at Part Two.

### **Legal Comments**

- 1. In carrying out its functions, the MOPAC may, under paragraph 7, Schedule 3 of "the Act" "do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of the functions of the Office." This includes entering into contracts and other agreements, in addition to acquiring and disposing of property (including land) under paragraph 7 (2) (b) of Schedule 3 of "the Act.". The surrender constitutes the disposal of property.
- 2. Paragraph 4.16 of the Mayor's Office for Policing and Crime (MOPAC) Scheme of Delegation and Consent states that all surrenders of leases need to be authorised by the DMPC.

## Equality Comments

1. There are considered to be no equality or diversity issues arising from this paper.
2. This paper has undergone an initial equality screening by Strategy and Inclusion. Due regard has been taken to the Equality Act's Public Sector Equality Duty. Real consideration has been taken to assess equality impact caused by the proposed business changes. As a result, no positive or negative impact has been identified to any individual and/or group safeguarded by a protected characteristic and those who are not.
3. The following five key objectives agreed by the London Recovery Board:
  - To reverse the pattern of rising unemployment and lost economic growth caused by the economic scarring of Covid-19
  - Narrow social, economic and health inequalities
  - Help young people to flourish with access to support and opportunities
  - Support our communities, including those most impacted by the virus
  - Accelerate delivery of a cleaner, greener London
4. Property Estates is fully aware of the implications and requirements under The Anchor Institution Charter, which does not apply in this instance.

## Privacy Comments

1. There are no privacy issues identified through the Data Protection Impact Assessment (DPIA) completed for this work. The project does not use personally identifiable data of members of the public, so there are no GDPR issues to be considered.
2. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.
3. Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.
4. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.



## Real Estate Implications

5. There is no requirement or operational use of Units A&B Tower Bridge Business Park by the MPS.
6. This property does not form part of the retained estate and the proposals set out in this paper are in line with the draft Estates Strategy 2021-2025.

**Report Authors:** Tara Dalton & Robert Phelps – Property Services Department

### **Part 2 – This section refers to the details of the Part 2 business case which is NOT SUITABLE for MOPAC Publication.**

The Government Security Classification marking for Part 2 is:  
OFFICIAL-SENSITIVE [COMMERCIAL]

Part 2 of Request for Approval to Dispose of Surplus Real Estate Assets –is exempt from publication for the following reasons:

Exempt under Article 2(2) (a) of the Elected Local Policing Bodies (Specified Information) Order 2011 (Data Protection Section 43 – Commercial Interests).

No to be published for minimum of 2 years (up to April 2024) due to sensitive commercial reasons relating to the landlord