

# GREATER **LONDON** AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD3275

### Title: Beam Park Development Agreement Variation

#### Executive Summary:

Beam Park is a multi-phase housing development on land owned by GLA Land and Property Ltd (GLAP), located on a 29-hectare site, sitting across the LB Barking and Dagenham, and LB Havering. GLAP's development partner, Countryside Partnerships ("Countryside") secured a first hybrid planning consent in 2019. The construction of Phase 1 was completed in 2023 and Phase 2 is due to complete later in 2024.

A new hybrid planning consent was secured by Countryside in November 2023, bringing the overall number of homes from 3,000 to 3,947 (with 50 per cent affordable housing). Following this new planning consent, a number of changes to the Development Agreement between GLAP and Countryside are now required to ensure the terms of the agreement align with the revised development plans.

#### Decision:

That the Mayor approves GLA Land and Property Ltd entering into a Deed of Variation to the Development Agreement with Countryside, materially on the terms set out in this decision form.

#### 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:



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

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

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

- 1.1. Beam Park is a multi-phase housing development on GLAP land, located on a 29-hectare site, sitting across the London Borough of Barking and Dagenham (LBBD), and London Borough of Havering (LBH). GLAP's development partner, Countryside Partnerships ("Countryside") secured a first hybrid planning consent in 2019. Phase 1 (640 homes) was completed in 2023, and Phase 2 (518 homes) is due to complete in Summer 2024.
- 1.2. A new hybrid planning consent was secured by Countryside in November 2023, bringing the overall number of homes from 3,000 to 3,947 (with 50 per cent affordable housing). This consent includes a new outline consent for phases A-G (named 3-8 in the previous masterplan), and detailed consent for Phase C (formerly Phase 6). A Building Lease was subsequently granted to Countryside to commence construction on Phase C, in December 2023.
- 1.3. Following the new planning consent, a number of changes to the Development Agreement (DA) between GLAP and Countryside are now required. The majority of the changes are necessary to update definitions and provisions referring to the Planning Application, Planning Consent, and related matters. This is required in order to restate the original DA position in light of the new planning consent, and to ensure the legal form of the DA reflects delivery on the ground.
- 1.4. Besides the changes to the DA form set out above, there are additional changes, which are listed below and described in more detail in the following sections of this decision form and in Part 2 of this decision.
  - Changes to key Development Milestones –The change to Milestone 1 (completion of the Beam Park Station Ticket Hall) is being amended in line with existing DA mechanisms.
  - Updated Net Present Value (NPV) calculator and land payment schedule – this can be agreed within existing DA mechanisms, but it is reported in detail in Part 2 for completeness, as it has implications on the land payment schedule and on GLAP's business plan.
- 1.5. The historical Mayoral Decisions and other decisions that provided consent to progress through previous project stages are listed below:
  - MD1365 (July 2014) under which the Mayor approved expenditure to undertake intrusive site investigations, and carrying out development appraisals to ensure best consideration for the site was achieved
  - MD1664 (April 2016) under which the Mayor authorised the selection of Countryside Properties UK and L&Q as the preferred development partner, and approved entering the Development Agreement
  - MD2104 (April 2017) under which the Mayor approved expenditure for the appropriate monitoring and other costs associated with the construction of homes at Beam Park
  - DD2138 (June 2017) under which the Executive Director of Housing & Land approved GLAP entering into a Development Agreement with Countryside Properties UK
  - MD2277 (April 2018) under which the Mayor approved a Deed of Variation to the Development Agreement and entering into associated agreements to facilitate the delivery of the scheme
  - MD2570 (February 2020) under which the Mayor approved expenditure for legal and consultancy costs required in the ongoing management of the Development Agreement.

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

- 2.1. The proposed changes to the Development Agreement are necessary to restate the original legal position, following the new planning consent achieved by Countryside in November 2023. This will make sure the contract reflects delivery on the ground, including the new phasing plan and updated NPV calculator. Specifically:
- Change to Milestone 1: Delivery of Beam Park Station Ticket Hall – this milestone is being delayed, in line with existing DA mechanisms. There have been delays in securing a delivery route for a new station at Beam Park and the GLA is continuing to work with partners to find an agreement to incorporate the station into the existing railway network and find a way forward for this strategic project. It is therefore prudent to delay the construction of the Ticket Hall until such agreement has been reached.
  - Updated NPV calculator – In line with existing DA mechanism, a new NPV calculator must be agreed between Countryside and GLAP each time a new development phase is drawn down. Upon the drawdown of Phase 6 (Phase C), a new NPV calculator was provided by Countryside, and further details are provided in 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. The purpose of the changes set out above is to ensure that the scheme can continue to deliver much needed housing, including affordable housing and private rented housing, both in the medium and long-term. This includes an additional 947 homes compared to the previous planning consent, including 50 per cent affordable homes. There is strong evidence that groups from minority ethnic backgrounds are more likely to rely on affordable housing and Private Rented Sector accommodation in London, compared to people that identify as White British (GLA Housing Research Note 8 – Housing and race equality in London, 2022).
- 3.3. This decision is therefore expected to have positive impacts on persons with a protected characteristic under the Equality Act.

## **4. Other considerations**

- 4.1. This decision outlines changes to the Development Agreement which are necessary to update the legal position to reflect actual delivery on the ground. This will ensure delivery can continue on a scheme which will comprehensively redevelop a significant brownfield site in East London and deliver much needed housing and affordable housing on GLAP land.
- 4.2. The project supports a range of Mayoral policies and strategies, including Good Growth objectives, such as those outlined in the new London Plan 2021 (the Healthy Streets Approach, 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 Health Inequalities Strategy, and a health in all policies approach. 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 future planning applications, the Mayor will delegate authority to the Deputy Mayor, Planning, Regeneration and the Fire Service, as is the protocol in these scenarios.
- 4.4. There are no conflicts of interest involved in this decision form from any of the officers who drafted and cleared it.

#### Risks and issues

- 4.5. The main risks are summarised in the table below, with further information provided in Part 2.

<b>Risk</b>	<b>Probability</b>	<b>Impact</b>	<b>Mitigations</b>
The construction programme is further delayed due to wider market challenges, particularly in the Registered Provider market, which may impact future phases	Medium	High	GLAP will be closely monitoring progress and working with Countryside to explore solutions and minimise the risk of delays.
The station project is further delayed, with ongoing negative impact on placemaking and connectivity	Medium	High	GLAP continues to work closely with stakeholders to find a delivery route for the station project, while supporting Countryside to deliver a high-quality scheme and pedestrian/cyclist routes that help enhance local connectivity and access to existing public transport in the interim.

## **5. Financial comments**

- 5.1. As set out in paragraph 1.4, the key points are the changes to the Development Agreement; changes to key development milestones; revised Net Present Value calculator and land payment schedule.
- 5.2. Aside the NPV schedule commented on separately in Part 2, the financial effect of the first two proposed changes are not of great impact on GLAP.

## **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 which 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. 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 an equality of opportunity for all people
  - consider how the proposals will promote the improvement of the 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 Part 1 of this report indicate that the Mayor has the power to proceed to make the decisions as requested within this Decision.

7. **Planned delivery approach and next steps**

Activity	Timeline
Development start date	2019
Development Agreement Deed of Variation 2024	July 2024
Development end date	2035

**Appendices and supporting papers:**  
None.

## 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:

Olga Di Gregorio has drafted this report in accordance with GLA procedures and confirms the following:

✓

### Sponsoring Director:

Tim Steer 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.

✓

### Mayoral Delivery Board

This decision was agreed by the Mayoral Delivery Board on 24 June 2024.

✓

## INTERIM CHIEF FINANCE OFFICER:

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

**Signature:**



**Date:**

27/06/2024

## CHIEF OF STAFF:

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

**Signature:**



**Date:**

26/06/2024