GREATERLONDONAUTHORITY

REQUEST FOR MAYORAL DECISION - MD3294

Land disposal to support expansion of the London Design & Engineering University Technical College (UTC) in the Royal Docks, Newham

Executive summary:

The London Design & Engineering University Technical College (UTC) is in the east of the Royal Docks, Newham. It is adjacent to the University of East London's Docklands campus.

The UTC has recently secured £4m in T-level funding from the Department for Education, to support a new-build standalone extension of its existing campus. It will provide teaching space for post-16 learners in T-level courses. The proposed new-build will be adjacent to its existing building, and will require the disposal of 716sqm of land, owned by GLA Land and Property Ltd, to the UTC. This proposal enables the provision of new and diverse educational infrastructure in the Royal Docks. A planning application was submitted by the UTC in June 2024 and is awaiting approval.

The UTC sits as part of the wider Royal Albert Dock development site. The UTC's expansion supports the site's aspirations to deliver a major new employment-led mixed-use location in the Royal Docks.

This Mayoral Decision (MD) is seeking approval for GLA Land and Property Ltd to dispose of land (Plot 2.a) to the UTC. This is subject to contract and approval, including the UTC satisfying several outstanding conditions, as set out in Part 2 of this MD.

Decision:

That the Mayor:

- approves the disposal of the land by GLA Land and Property Ltd at Plot 2.a to the UTC, for the land value set out in Part 2 by way of a lease on the terms materially set out in this Mayoral Decision
- notes the removal of Plot 2.a from the Royal Albert Dock procurement process
- delegates to the Executive Director for Housing and Land the authority to make all further decisions in relation to the land disposal, road payment and contractual negotiations, without a further 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:

about

Date:

16/10/24

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

Decision required – supporting report

1. Introduction

- 1.1 The Royal Docks is one of the UK's largest regeneration areas, and offers significant opportunities for growth and investment. Over the next 20 years there will be considerably more new homes, jobs and commercial spaces built in the area, with approximately £5bn worth of investment planned.
- 1.2 The Royal Docks & Beckton Opportunity Area Planning Framework¹ (May 2023), and the Royal Docks Delivery Plan² (2024-29) highlight the area's potential to provide 36,000 new homes and 55,000 new jobs. With the number of homes and jobs increasing, and the local economy expected to grow, there is also a need to provide appropriate educational infrastructure to support the expanding population, and to enhance local skills and opportunities.
- 1.3 GLA Land and Property Ltd (GLAP) has been working with the London Design & Engineering University Technical College (UTC) to support its growth aspirations, and to enhance a locally diverse and resilient educational offer. To do this, GLAP has supported proposals from the UTC to build a new standalone extension of its existing campus. The proposed new-build will be adjacent to the UTC's existing building, and will require the disposal of 716sqm of GLAP land to the UTC. The UTC has recently secured funding to support this proposal, and a planning application was submitted in June 2024 (awaiting approval).
- 1.4 Whilst this project does not include a competitive process for the land disposal, a formal valuation has been undertaken and the land price has been confirmed as market value.
- 1.5 Supporting this project is a key deliverable of the Royal Docks Delivery Plan. It particularly enhances Outcome 1: prosperity, growth and investment.

Site history

- 1.6 In January 2016 Mayoral Decision (MD) 1591 approved the sale of a four-acre site to the University of East London, via a series of optional sale agreements. The purpose of the sale was to facilitate the delivery of a new UTC on 50 per cent of the land (Plot 1), with the remainder being divided into two separate plots (Plots 2 and 3). See appendix 1 for a site location plan, and appendix 2 for a plot plan. The address is University Way, Royal Docks, London E16 2RD.
- 1.7 The 125-year lease for Plot 1 was agreed between GLAP and the Secretary of State for Communities and Local Government (DCLG) (acting on behalf of the Education and Skills Funding Authority, who funded the sale). DCLG agreed to install a new access road and sublet the site to the UTC. The drawdown of the land was agreed with a restriction in place to ensure educational uses only.
- 1.8 Plots 2 and 3 had historic option agreements governing the use of this land for new educational provision. These option agreements have now expired and been withdrawn. They did, however, highlight a previous approval by the GLA (MD 2176)³ for educational uses on this site.

UTC

1.9 The UTC opened in September 2016, initially operating from temporary facilities in the Royal Docks while its permanent building was under construction. The UTC moved into its permanent location in January 2019. The UTC offers specialised technical education for learners aged 14 to 19, focusing on engineering, construction, design, aviation, and digital subjects. The college delivers a unique employer-led curriculum that equips local learners – many from disadvantaged backgrounds – with essential employability and practical life skills. Teaching high-value post-16 courses and GCSE

¹ GLA, Royal Docks and Beckton Riverside Opportunity Area Planning Framework, May 2023

² GLA/London Borough of Newham, Royal Docks Delivery Plan, 2024-2029, March 2024

³ GLA, MD2176 Royal Docks - Design & Engineering UTC land disposal, October 2017

qualifications, the UTC consistently surpasses national attainment averages for learners at GCSE, further education and apprenticeships.

- 1.10 The UTC also attracts and supports a diverse array of learners 90 per cent of which are from Newham, one of London's most diverse and deprived boroughs. Additionally, 93 per cent are from Black, Asian or minority ethnic background; and 41⁴ per cent are on free school meals (well above the national average of 23 per cent).
- 1.11 The UTC is currently oversubscribed, receiving over 1,350 applications annually for just 180 places in its sixth form. In response to this demand, the UTC has maximised the use of its existing facilities to admit an additional 70 learners. Its current facilities have no additional room for expansion and in particular, the UTC lacks enough workshop and storage space to effectively run the new and more demanding T-level courses alongside its existing technical qualifications. The high demand and oversubscription for the UTC is a testament to its local success.
- 1.12 Newham forecasts significant growth in the number of local 16-18-year-olds. Numbers are set to peak in 2024 with a shortage of Year 12 admission places in the borough⁵. This is particularly apparent for both technical education and the Royal Docks as a place, which is seeing a significant increase in family accommodation. A recent 'Travel to Study' report, commissioned by Newham, shows that 40 per cent of 16-17-year-olds in Newham leave the borough for a post-16 education.

UTC proposal

- 1.13 In mid-2023, the UTC secured a £4m capital grant from the Department for Education (DfE) to fund a new standalone extension to its existing building. This expansion is focused on providing the specialised workshop and teaching spaces required to deliver T-level qualifications, which cannot be accommodated within the existing building or the current Plot 1 lease demise.
- 1.14 The new facility will support approximately 140 learners at any given time and around 350 learners per week, enabling access to the new T-Level courses. It will feature state-of-the-art workshops and blended learning environments, ensuring learners develop the practical skills and knowledge needed to excel in high-quality technical education. The T-levels have been developed in collaboration with employers and businesses to meet modern industry needs, allowing learners to gain valuable employability and practical skills while achieving high-quality technical qualifications. The new facility will be particularly valuable in preparing learners for the skilled jobs of the future or progression into higher education in science, technology, engineering, and mathematics (STEM) fields.
- 1.15 The focus on STEM education is critical for the future workforce. The UTC has developed its curriculum through strong engagement with "blue-chip" companies to create a unique, employer-led technical educational offer. Its approach reflects broad strategic ambitions to support locally relevant community wealth-building and inclusive growth agendas, with a focus on skills, qualifications and job opportunities in increasingly relevant data/digital, tech and innovation sectors.
- 1.16 The new building will serve as a hub for T-Level and STEM learning, encouraging learners to pursue careers in these critical and high-value fields. This will not only benefit the learners but also address the growing need for STEM professionals in London, supporting innovation and technological advancement. UTC facilities will also be available for community use and adult STEM education.
- 1.17 The proposed extension will be a new-build diagonally opposite to the UTC's existing building. This requires the disposal of 716sqm of GLAP land to the UTC from a small southern area of Plot 2. The specific site has been called Plot 2.a. Plot 2.a is a vacant brownfield site held fully within GLAP's freehold. Appendix 1 shows the outlined area identified for the extension in green.

⁴ Get Information about Schools, London Design and Engineering UTC

⁵ London Borough of Newham, Education places for all: A school place planning strategy 2023-2027

1.18 The proposed new building will be three storeys high. A planning application was submitted in June 2024 (reference number: 24/01280/FUL)⁶. Appendix 3 shows several images from this application. GLAP has been consulted on the proposals, commented and approved its design.

Royal Albert Dock development opportunity

- 1.19 The UTC's existing campus and new build proposal sits as part of the wider Royal Albert Dock development site⁷ shown in appendix 2. MD3164⁸ sets out the procurement approach to securing a new development partner for this site.
- 1.20 Royal Albert Dock is set to change significantly over the next 15 years, capitalising on its strategic location to deliver employment-led, large scale, multi-phase, mixed-use development and new residential uses. New employment-focused uses could include light-industrial, logistics, manufacturing, and high-value growth industries (such as green technology and data-driven/digital economy).
- 1.21 The UTC's T-level curriculum aligns well with the principles of this development opportunity, supporting aspirations to deliver a major new employment-led location in the Royal Docks. The UTC's expansion will support the enhancement of local skills, drawing business and industry partners to the area through its employer-led curriculum. This aligns well to Royal Albert Dock's aspirations to stimulate economic activity, attract investment and develop high-value local jobs.
- 1.22 These principles can, in part, be delivered sooner via the UTC than via the wider Royal Albert Dock development process, supporting early site activation and alignment with the site's overall employment-led vision. Disposal will also provide GLAP with an immediate land receipt. Holding costs are negligible and disposal of Plot 2.a will have no material impact on these for the broader Royal Albert Dock development site.
- 1.23 Plot 2.a also only represents a very small proportion of the wider site's 30-acre area. It sits on the development sites south-eastern periphery. Its removal is not expected to have a negative impact on the overall future masterplan; or a quantifiable impact on land value or business rates generation within the Enterprise Zone.
- 1.24 Therefore, it is proposed that Plot 2.a is removed from the wider Royal Albert Dock procurement opportunity, and directly disposed to the UTC. This is not considered to have a negative impact on the attractiveness of the procurement opportunity to the broader developer market.

2. Objectives and expected outcomes

- 2.1 This project aims to enable the UTC's expansion to support additional educational facilities in the Royal Docks. This will help to:
 - deliver new and diverse educational infrastructure in the Royal Docks
 - support young people from disadvantaged backgrounds
 - enhance local access to advanced technical education
 - support opportunities for growing local skills and jobs
 - enable early activation and alignment with employment-led development across the wider Royal Albert Dock site

⁶ Simple Search (newham.gov.uk)

⁷ Royal Albert Dock - Development Opportunity

⁸ GLA, MD3164 Royal Albert Dock Procurement, December 2023

- support the London Borough of Newham's goals of fostering social equity and enabling all young people to achieve their full potential
- result in a land receipt for GLA Land and Property Ltd.

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' of the need to eliminate unlawful discrimination, harassment, and victimisation; and to advance equality of opportunity, and foster good relations, between people who have a protected characteristic and those who do not. Protected characteristics under the Equality Act are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.
- 3.2 Consideration has been given to how the proposed disposal relates to this duty and potential impacts of this decision. The proposed disposal is expected to have a positive impact on those with protected characteristics. As set out below (paragraphs 4.1 and 4.2), the project will support numerous Mayoral and local commitments and priorities in advancing equality related metrics, skills, employment opportunities, and environmental benefits.
- 3.3 The design of the new building and the associated public realm ensures accessibility and inclusivity. This will be reviewed and approved by the local planning authority (LPA) to ensure that it complies with relevant policy, and does not have any negative impacts on those with protected characteristics. A period of statutory consultation will follow submission of the planning application, allowing local residents a chance to comment on proposals. This opportunity will be promoted by the Royal Docks team through its various local channels and website.
- 3.4 Newham 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 gateway to the Royal Docks in a considered and sustainable way; and to consider how the regeneration of the area will benefit all local communities.
- 3.5 Additionally, the UTC Equality, Diversity and Inclusion Policy identifies the need to eliminate discrimination and be fully inclusive. The policy can be viewed <u>here</u>.

4. Other considerations

Links to Mayoral and local strategies and priorities

- 4.1 This project will support numerous Mayoral commitments. It will: promote access to new skills and future job opportunities; promote investment and economic growth; support local young people; and promote environmental benefits. This will have a direct impact on the following Mayoral strategies and priorities:
 - the London Plan
 - the Economic Development Strategy for London
 - Skills for Londoners
 - the London Environment Strategy.
- 4.2 The London Borough of Newham is a key partner in realising skill and education growth. Key to this vision is the borough's commitment to addressing inequality; and creating economic, social and environmental value for all. Newham's community wealth-building agenda is a key focus for the project addressing economic and social disparities in local communities; tackling the global climate

emergency; and putting local communities at the centre of shaping a local economy where growth and investment benefit all residents.

Conflicts of interest

4.3 There are no known conflicts of interest for those involved in the drafting and clearance of this decision form.

Direct land transfer

4.4 In certain circumstances, and with appropriate justification, GLAP can undertake direct land transfers without the need for competition. The justification for a direct land transfer is set out in this MD, namely the facilitation of numerous Mayoral and broader objectives. This land disposal will deliver new educational infrastructure in the Royal Docks, advancing local access to skills and future job opportunities whilst accelerating new development without a material impact on the wider Royal Albert Dock development opportunity. This will also provide an immediate land receipt to GLAP, the value of which has been tested through a formal valuation process and the land receipt is good value for money as it reflects market value for the site and that GLA's best consideration obligations are met.

Key risks

4.5 Key risks are set out below, with additional risks set out in Part 2 of this MD:

Risk	Risk rating	Mitigation
Design and land take Ensuring that the design, massing and aesthetic are responsive to the local context; and promoting an efficient use of available land, with the development abutting tight to existing boundaries. Density and design should be optimised, and there should be a strong focus on ensuring compliance with sustainability and net zero-carbon requirements.	Low	The Royal Docks team have been consulted on proposals, and have provided various rounds of comments on design. Policy compliance has been assured through the planning process.
Planning approval The LPA does not provide planning consent, and the proposal cannot progress.	Low	The UTC has undertaken several pre-planning applications with the LPA; comments have been incorporated into final designs to meet current policy requirements. The Royal Docks team have also commented on proposals, ensuring compliance with broader context.
Construction strategy The UTC will need to demonstrate a robust procurement, contracting and construction strategy to assure the GLA of their ability to deliver the project.	Low	A detailed construction strategy has been provided. The UTC will follow a design-and-build structure (JCT contract); and employ Mott MacDonald as project and development managers. GLAP will implement regular project- update meetings with the UTC to discuss construction progress against programme and budgets.
Wider Royal Albert Dock development The UTC expansion will be adjacent to the Royal Albert Dock development site. It will be	Low	The building has been designed so it will not prohibit GLAP from bringing forward the neighbouring Royal Albert Dock site; and will support the site's wider flexibility and integration. The UTC proposals promote connectivity and

important to ensure this does not negatively impact Royal Albert Dock's wider regeneration, or the ability for GLAP to develop out its retained land.		cohesion across the campus, and interface with surrounding plots. GLAP will ensure its rights are secured to develop out its retained land under contractual agreement with the UTC through the lease. Similarly, the UTC's educational use aligns with the wider Royal Albert Dock vision for a diverse employment-led destination.
Programme The UTC's current programme is optimistic, with the aim to start works in late 2024. This is considered unlikely, given the consents and approvals needed. However, GLAP will do as much as possible to enable the UTC in completing an efficient build programme.	Medium	Officers will advise the UTC to ensure a robust and deliverable programme is maintained. This will include discussing project interdependencies, funding, delivery activities, and alignment to funding milestones. The UTC intends to carry out immediate ground-condition surveys to support detailed design; and help to avoid increased costs and unforeseen delays to the programme. Early investigations and enabling activities will help to mitigate potential programme delays.

5. Financial comments

5.1 Part 2 of this MD details the financial considerations.

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). These 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 an equality of opportunity for all people
 - consider how the proposals will promote the improvement of the health of persons, and the reduction of health inequalities between persons, living in Greater London; and contribute towards the achievement of sustainable development, and the mitigation of or adaptation to climate change, in the UK
 - consult with appropriate bodies.
- 6.3 Sections 1 to 3, above, indicate that the Mayor has the power to proceed in making the decisions requested in this Part 1 form.

7. Planned delivery approach and next steps

7.1 The UTC submitted a planning application in June 2024 (reference number: 24/01280/FUL) and await its approval. It has appointed a contractor and consultancy team to undertake detailed design and the works. Commencement of the works and the signing of the lease is subject to the UTC

satisfying various conditions (set out in Part 2). GLAP will continue to work with the UTC to support its proposal and mitigate the risks identified.

7.2 An indicative programme is set out below:

Activity	Programme
Planning decision	September/October 2024
Start on site	Late 2024
Project completion	Mid to late 2025

Appendices and supporting papers:

Appendix 1 - Site Location Plan

Appendix 2 - Plot Plan

Appendix 3 - UTC Expansion Images

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 be published either within one working day after it has been approved or on the deferred date.

Part 1 – Deferral

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

For what reason: To retain confidentiality in advance of the lease being agreed.

Until what date: 6 January 2025

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 c confirr followir	n the	
Drafting officer:	V		
Andy McVitty and Rosie Hardicker have drafted this reported ures and confirms the following:	ort in accordance with GLA		
Sponsoring Director:			
Tim Steer has reviewed the request and is satisfied it is of the Mayor's plans and priorities.	orrect and consistent with \checkmark		
Mayoral Adviser:			
Tom Copley has been consulted about the proposal and recommendations.	agrees the ✓		
Advice:		×	
The Finance and Legal teams have commented on this p	roposal.	8	
Mayoral Development Board			
This decision was agreed by the Mayoral Development B	oard on 14 October 2024.	√	
CHIEF FINANCE OFFICER:		9	
I confirm that financial and legal implications have been report.	appropriately considered in the preparation	on of this	
Signature:	Date:		
FayHannerd	15/10/2024		
CHIEF OF STAFF:			
I am satisfied that this is an appropriate request to be su	bmitted to the Mayor.		
Signature:	Date:		
A Bellenn	14/10/2024		

O Belling