

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3470

Albert Island Food Markets Budget

Programme: Building More Homes

Executive summary:

The Corporation of London, and the traders of the Food Markets, have chosen Albert Island as their preferred site to relocate Billingsgate and Smithfield (the Food Markets). Relocating the Food Markets to the Royal Docks will:

- safeguard the future of two historic markets
- secure investment and jobs
- support the wider regeneration of the Royal Docks
- enable redevelopment of the current sites.

Albert Island is owned by GLA Land & Property Limited (GLAP). GLAP intends to seek a development partner to design, fund and build the new Food Markets, as well as a new boatyard for the Port of London Authority if possible.

To de-risk and enable due diligence on the project, before a final decision is made by all parties, approval is sought for additional spend, to cover various professional fees. The approach recommended is considered to be the fastest way of providing certainty and, subject to its results, delivering the Food Markets at Albert Island.

Decision:

The Mayor is asked to approve:

- increasing spend on the Albert Island budget by £500,000 (from £1,490,000 to £1,990,000) to cover professional fees, as set out in paragraph 2.7
- GLAP entering into a variation to the existing Section 106 Agreement relating to Albert Island as set out in paragraph 2.6.

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:

18/3/21

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

Decision required – supporting report

1. Introduction and background

- 1.1. Albert Island is a major regeneration site in the Royal Docks owned by GLA Land and Property (GLAP). It is one of three main development sites in the Royal Docks Enterprise Zone (EZ); and forms part of the Royal Docks & Beckton Riverside Opportunity Area Planning Framework (OAPF).
- 1.2. In 2025, GLAP entered into detailed discussions with the City of London Corporation (CoL) about the potential to relocate the Food Markets to Albert Island. This followed CoL's decision to not proceed with a new market building in Dagenham; and to step back from any major role in the Food Markets in the future. CoL has committed to facilitating the traders' relocation to a new home. In late 2025, the traders and CoL announced Albert Island as their preferred location.
- 1.3. The relocation will have major benefits for the Royal Docks. It will also unlock the current Smithfield and Billingsgate sites for redevelopment for housing and cultural uses; and release the Dagenham site that CoL acquired for the original relocation project.
- 1.4. Following the termination of the previous development agreement on the site, there is no current proposal for the site or development partner in place. The relocation of the Food Markets therefore represents the only clear option to bring the site back into major economic use in the near term.

2. Objectives and expected outcomes

- 2.1. To achieve the various economic, employment, investment and regeneration benefits of relocating the Food Markets to Albert Island, several steps must be taken in the coming months. It is important to move at pace, to ensure the traders have certainty and security about their future; and to enable CoL to commit to a programme for redevelopment of the existing sites.
- 2.2. The most important step is to appoint a development partner to lead the project. They will be responsible for:
 - designing the revised scheme
 - agreeing terms with the traders
 - agreeing site-wide infrastructure with the Port of London Authority (PLA)
 - submitting a revision to the current planning consent to the London Borough of Newham (LB Newham)
 - working with the Environment Agency (EA) to relocate the existing flood barrier
 - investing in the project's development.

The developer will be the new landlord for the traders.

- 2.3. Usually, GLAP sites are offered to the market before end users and tenants are identified. In this case, the entire site is "pre-let" to either the PLA or the Food Markets. Whilst the commercial terms need to be agreed, the principle uses and approximate split of the site between the uses is already known; and the site already has a relevant planning consent. This planning consent should be capable of variation, without needing fresh application (this is subject to detailed design and engagement with LB Newham and GLA Planning).

2.4. For this reason, and the need to move swiftly, GLAP is considering using the Pagabo Framework to select a development partner, which it believes to be the fastest and most appropriate option available. This framework consists of pre-selected developers and contractors for public bodies to use. GLAP is already discussing, with the framework managers, how best to use it for Albert Island. GLAP could use the framework to select or appoint a developer to begin a "pre-development phase". This allows the developer to work with GLAP, CoL, the traders and the PLA to agree:

- the scope of the project
- the viability
- the commercial terms
- the programme
- the development strategy.

GLAP, CoL, the traders and PLA may have to contribute towards the costs of this "pre-development phase".

2.5. If the pre-development phase is successful, GLAP and the selected developer will agree terms on the land and sign a development agreement once the terms are negotiated. This will be subject to a further MD. If, for any reason, the Pagabo Framework does not provide GLAP with a development partner, there are alternative routes to explore for bringing the site to market.

2.6. The key next steps for the project are as follows:

- Implement the existing planning consent. The consent lapses in March 2026, so it must be implemented before then. This is already under way. The Section 106 Agreement will also be varied to ensure that the implementation works do not trigger any planning obligations.
- Appoint a development partner. This is essential – the developer must take the lead on the design, planning amendment, commercial arrangements, and future financing.
- Support the PLA, and its selected operator, in progressing its detailed proposals (interface with markets requirements, impact on planning amendments, programme, etc).
- Support the traders in their negotiations with the development partner. This will include lease terms, programme, relocation arrangements, fit-out costs and potential co-investment.
- Work with all partners to amend the planning consent; and to agree a programme for constructing and opening the Food Markets and the Boatyard.
- Work with LB Newham on capturing the wider benefits of the Food Markets relocation. This includes skills and teaching opportunities in food and marine engineering.

2.7. The requested additional expenditure will support this process in the following ways:

- Pagabo Framework: this is accessed by paying a fee, recoverable from the development partner. GLAP may be required to fund part of the pre-development costs, which will enable the developer to progress the project before the development agreement is signed.
- Legal advice: this will cover:
 - the Pagabo Framework documents
 - negotiations with the development partner
 - interaction between the PLA and GLAP

- any planning agreements
- amendments to the current consent.
- Commercial and land value advice: GLAP needs to secure best value for the land at Albert Island. This may be achieved in various ways; advice will support an MD on the disposal.
- Wider benefits advice: the bulk of the work with CoL and the PLA focuses on redeveloping Albert Island. However, there is potential for wider investment, skills and supply-chain benefits in the Royal Docks and the rest of Newham. Specialist advice will be secured to develop the scope of these benefits and their delivery.
- EA flood barrier: the existing EA flood barrier occupies a large part of the Albert Island site; relocating it will make the redevelopment more achievable. GLAP, CoL and the EA are in dialogue about how to achieve the relocation. This is likely to need some engineering and legal advice, as well as any fees to the EA.

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 reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.
- 3.2. The regeneration of Albert Island will deliver a series of economic, skills, investment and career opportunities in the Royal Docks. This redevelopment will align with the Royal Docks Delivery Plan, the LB Newham Local Plan, the LB Just Transition Strategy, and the London Plan – all of which seek to provide equality in the delivery of outcomes.
- 3.3. Having the Food Markets and the Boatyard on Albert Island will create specific skills and training opportunities. GLAP will work with the traders, the PLA and the developer to see how these can be maximised. For example, the skills support and training could be led by existing local education partners that have strong connections with Newham's diverse community.
- 3.4. This decision seeks funding approval for professional fees. The main MD on the disposal to the development partner will consider detailed equalities considerations, once the proposal is more developed.

4. Other considerations

Link to Mayoral strategies and priorities

- 4.1. Redeveloping Albert Island as the new home for the Food Markets, and providing a new boatyard for London, will support a wide range of Mayoral priorities and policy objectives. There will be direct benefits from the Albert Island development itself; but relocating the Food Markets will also unlock three sites for redevelopment. This will deliver additional wider benefits to London.
- 4.2. As a GLAP-led activity, this forms part of the project to 'Leverage GLA land holdings and joint venture interests to deliver high levels of affordable housing' within the Building More Homes programme. Specifically, this uses GLAP land holdings to support the wider regeneration of the Royal Docks that will directly support of the 'Royal Docks Delivery Plan (2024 – 2029)' and 'Royal Docks and Beckton Riverside Opportunity Area Planning Framework'. These strategies have been designed to deliver up to 36,000 new homes across a variety of tenures and housing typologies.

- 4.3. While the project does not directly relate to housing provision, the programme is expected to contribute to the London-level outcome: stable, long-term economic growth benefits all of London's communities. This will see new employment uses support housing growth (including surrounding large scale residential-led development) by providing a variety of employment, retail and public realm improvements as part of a successful place.
- 4.4. The development will also promote high quality design and placemaking and aligning with Mayoral objectives around Good Growth by Design. Similarly, the activities proposed will contribute to attracting and coordinating investment into tangible projects that deliver improved access to the river edge and provide direct environmental benefits, enhancing the GLA's strategic role in testing new ideas and setting policy to drive meaningful change.
- 4.5. The Food Markets will gain a new permanent home in a purpose-built facility. This will improve food security and protect jobs and investment in London and the UK's food supply chain. The new location could also support expansion of the Food Markets, which could provide new investment and business opportunities. Relocating the Food Markets could also help expand the skills and education capacity of a food school.
- 4.6. The Boatyard will support the delivery of the PLA's Thames Vision 2050 by providing a modern and flexible boatyard for the river fleet. It will also support research and development into new forms of propulsion and marine technology, which can help London's fleet transition to sustainable fuels. The Boatyard can also be a catalyst for marine engineering in London.
- 4.7. The full extent of these potential benefits will be explored and quantified via the funding requested in this decision form.
- 4.8. No conflicts of interest have been identified for anyone involved in the drafting or clearance of this Mayoral Decision.

5. Financial comments

- 5.1. Various options have been explored in delivering the boat yard and the food market. However, the selected Pagabo Framework on initial assessment is believed to offer low-cost outlay in comparison to other options available in selecting a developer in delivering the food markets and boat yard.
- 5.2. An advantage of pursuing the Pagabo route is that there is no upfront fee paid by the client. The cost of the pre-development route will be negotiated once a preferred developer is selected, while testing the initial suitability of the panel members is also low risk.
- 5.3. The £0.5 million of proposed expenditure can be met from within the resources available to GLAP, given its budget and latest forecasts.

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:
 - i. promoting economic development and wealth creation in Greater London
 - ii. promoting social development in Greater London
 - iii. 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 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
- consult with appropriate bodies.

6.3. The contents of this paper indicate that the GLA has the power to proceed as recommended in this paper.

7. Planned delivery approach and next steps

7.1. The programme for the Albert Island project is highly complex, and subject to various external factors. These include Parliament's consideration of the City of London (Markets) Bill; developer interest in the project; and the relocation of the EA flood barrier. The milestones below are the current estimated forecast; however, they are subject to change and variation, depending on project progress and external factors. There are areas where the programme could be accelerated too.

Activity	Timeline
Preliminary engagement with the Pagabo Framework	February 2026
Implementation of the existing planning consent	March 2026
Potential for development partner to be appointed via Pagabo	July 2026
Potential planning amendment application	2026-27
Potential start on site	2027-28
Potential opening of the Food Markets and Boatyard	Late 2020's

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

Strategic Programmes

Does this decision seek approval for activity falling within the remit of a programme delivery plan? YES

If YES, which programme/s does this fall within: Building More Homes

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 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? NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Paul Creed 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 16 February 2026.

CHIEF FINANCE OFFICER:

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

Signature

Fay Hannard

Date

26 February 2026

CHIEF OF STAFF:

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

Signature

D. Bellamy

Date

26 February 2026

