

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD3446

### Title: Old Oak Public Land Agreement

#### Executive Summary:

The Old Oak project is expected to deliver around 8,000 new homes, including affordable homes, within the boundary of the Old Oak and Park Royal Development Corporation, along with approximately 150,000 to 200,000 square metres of new commercial and employment space, and new community and public facilities, new parks and open space.

These regeneration proposals are underpinned by an Outline Business Case approved by central government. To date, 93 per cent (by area) of the land required to deliver the project at Old Oak is in public ownership. This Mayoral Decision (MD) seeks consent to enter into a Public Land Agreement (PLA) with the Department for Transport (DfT) and Network Rail (NR), which sets out the terms through which the publicly owned land (outside of OPDC's ownership) will be brought into the development to facilitate comprehensive regeneration of the area. The MD requests that the GLA provides a financial guarantee in relation to payments arising under the PLA, should the costs not be recovered from the project.

In parallel, OPDC has made a Compulsory Purchase Order (the Old Oak and Park Royal Development Corporation Compulsory Purchase Order 2025) to the Secretary of State for Housing Communities and Local Government (MD3406) to enable it to acquire any remaining private interests that cannot be secured through private treaty. Taken together, these mechanisms will ensure that all of the land and interests required to deliver the Old Oak project are made available for regeneration at the appropriate time.

#### Decision:

That the Mayor

- consents to Old Oak and Park Royal Development Corporation (OPDC) entering into the Old Oak Public Land Agreements (PLA) with the Department for Transport (DfT) and Network Rail (NR)
- approves the provision of a financial guarantee in respect of all sums payable by OPDC to DfT, arising under the PLA, in the event that insufficient proceeds are recovered from the project for OPDC to make the required payments within the timescales as set out in the PLA Heads of Terms.

#### 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:

21/7/26

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

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

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

- 1.1. The regeneration project at Old Oak, underpinned by an approved Outline Business Case (OBC), intends to take advantage of the opportunity to carry out major redevelopment primarily on underused public-sector brownfield land. This land benefits significantly from its proximity to the new Old Oak Common Station which will serve HS2 and the Elizabeth Line. The majority of the c.30 hectares of brownfield land required for delivery is owned by public sector stakeholders. It includes land currently in use as construction sites for HS2.
- 1.2. A Collaboration Memorandum of Understanding has been signed between the OPDC, the Ministry of Housing Communities and Local Government (MHCLG), Department for Transport (DfT), Network Rail (NR) and High Speed 2 (HS2). This sets out the basis on which the public sector will work together collaboratively to deliver the project. A senior board (the Collaboration and Assurance Board) has been established to bring these parties together to oversee delivery. The Collaboration Memorandum of Understanding is included for reference in Appendix 1.
- 1.3. OPDC has undertaken extensive masterplanning work for Old Oak and an Illustrative Masterplan and Masterplan Framework have been endorsed by OPDC Board. The Illustrative Masterplan sets out how the regeneration can be delivered through comprehensive development, providing:
  - around 8,000 new homes, including affordable homes
  - up to 200,000 square metres of commercial and employment space
  - new social infrastructure, including a primary school, health facilities and leisure centre.
- 1.4. The Illustrative Masterplan and Masterplan Framework address the strategic provision of other site-wide infrastructure including open space and green corridors, new routes connecting the two new neighbourhoods and connecting adjoining areas and communities.
- 1.5. OPDC has made a Compulsory Purchase Order, the Old Oak and Park Royal Development Corporation Compulsory Purchase Order 2025 (Old Oak CPO) in order to facilitate delivery of the Old Oak project.
- 1.6. The owners of the interests in the Order Land have been engaged with extensively by OPDC to acquire private interests through private treaty but where this has not been possible it will be necessary to acquire the interests and rights compulsorily. It will also be necessary to use the Old Oak CPO to enable the OPDC to acquire rights in, under and over the Order Land in public ownership. This is so it can override third-party rights, restrictions and easements, which will aid the comprehensive regeneration of the Order Land.
- 1.7. The public land required will be brought into the project through a Public Land Agreement (PLA) which sets the terms and parameters for public land to be drawn down for development. Of the 31 hectares required approximately 29 hectares is within the ownership of public bodies. The PLA is a form of option agreement and covers the vast majority of this land, which is in the ownership of DfT and NR.
- 1.8. The PLA Heads of Terms have been finalised and include detail on the arrangements for payment for the land owned by DfT to be brought into the Old Oak project. The approach, supported by financial analysis, identifies phased payments funded by project receipts to meet the proposed payments for DfT land, which become due after the option is triggered in respect of that land. However, if insufficient proceeds are generated from the project within the necessary timelines, funding from the GLA may be required to acquire the assets.

- 1.9. Approval from the Mayor is sought for the provision of a financial guarantee from the GLA which would enable OPDC to meet the cost of the payments due to DfT arising from the Public Land Agreement should these costs not be recovered from the project.
- 1.10. Consent to enter into the PLA is also sought under paragraph 4.3 of the Old Oak and Park Royal Development Corporation Governance Direction 2019 in respect of capital or revenue expenditure under the PLA to be incurred in which is not within OPDC's approved budget for the year.
- 1.11. Further detail is provided in the Part 2 of the decision.

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

- 2.1. The objective is to deliver the Old Oak project. Alongside OPDC's land acquisitions and the Old Oak CPO, the PLA is required to secure the public land interests needed to deliver the regeneration in a comprehensive way. If no action is taken, development around Old Oak Common Station would occur on a piecemeal basis resulting in sub-optimal and slower development delivering lower social and economic benefits.
- 2.2. The following strategic objectives underpin the rationale for the Old Oak project:
  - Drive economic growth – create a nationally significant cluster of new and existing businesses that drives economic growth and invests in the local workforce
  - Build more homes – maximise the number of homes, affordable and market sale, ensuring all are built to a high standard of design and construction
  - Create a place to be proud of – create a distinct place with resilient town centres; quality public realm that reflects local heritage; and social infrastructure that meets community needs
  - Ensure value – maximise value for the UK taxpayer by optimising the use of public land to deliver financial, regeneration, housing and transport outcomes
  - Create a better environment – create a place that is resilient to the climate crisis, and positively contributes to people's health, wellbeing and the environment
  - Deliver at pace – ensure development is well under way by the time Old Oak Common station opens (between 2029 and 2033).

## **3. Equality comments**

- 3.1. When considering the needs of the existing community and those that will be affected by the proposed development, any development activity will look to minimise disadvantages to all protected characteristic groups within society. This decision is expected to have a positive impact on persons with a protected characteristic under the Equality Act, as increasing the supply of housing in London will help to address problems such as overcrowding and homelessness, which evidence indicates disproportionately affect specific groups, including Black, Asian and Minority Ethnic groups and women.
- 3.2. The delivery of high-quality housing will also promote improved health and wellbeing, given evidence of an association between poor housing conditions and poor health. The health and wellbeing of residents will be a priority within the vision for the developments to address this.
- 3.3. The GLA Group Responsible Procurement Policy sets out the GLA Group's plans, ambitions and commitments for ensuring socially, environmentally and economically sustainable procurement to deliver improved quality of life and better value for money for Londoners. This objective can only be fully met through the success of this policy in securing diverse supply chains that collectively promote Equality, Diversity and Inclusion (EDI).
- 3.4. As part of its strategy for the procurement of a private sector partner OPDC will ensure that bidders set out how they will embed EDI and enhance the social value outcomes in their delivery by

submitting an EDI statement and action plan. Compliance and performance against the EDI Action Plan will then be monitored as part of OPDC's monitoring and reporting process.

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

##### *Risks and issues*

- 4.1. Risks will be managed by OPDC in accordance with its Risk Management Framework. The following key risks have been identified:
- The extent of the delays to the HS2 programme and potential impact on the release of public land for development may impact the assumptions within the current PLA Heads of Terms with regards to phasing of development. There are provisions within the Heads of Terms to allow for this to be reviewed once HS2 has completed its programme reset or any future phasing delays.
  - There is a risk that future project delays, market conditions and other factors impact on OPDC's ability to satisfy the terms of the PLA. There will be multiple mechanisms built into the PLA to enable terms to be reviewed and if required renegotiated to respond to those changes in conditions, to ensure the project can proceed.
  - It is essential that the terms of the PLA are commercially sound and will be acceptable to the future private sector partner. There is a risk that if the terms are not acceptable then the Old Oak development project will not be viable. All parties are receiving legal and commercial advice on the acceptability of key terms of the PLA to the market. The Heads of Terms will be shared at the second stage of the development partner procurement process, as will template forms of lease, to ensure that the terms are transparent prior to completing contracting with a private sector partner.

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

- 4.2. The Old Oak project is aligned with the Mayoral priorities. It delivers against multiple objectives, as illustrated below:
- London Plan 2021 – facilitates the comprehensive development identified in the Old Oak Illustrative Masterplan, and a new urban centre – including a new high street, shops, cafes, restaurants, schools and other community amenities. See Policy SD10: strategic and local regeneration; Policy D8: public realm; Policy SD6: town centres and high streets; and GG5: growing a good economy.
  - London Growth Plan – employment creation in construction-related jobs; and up to 200,000 square metres of new commercial space on the site, creating significant further employment opportunities.
  - London Housing Strategy – facilitates delivery of 8,000 high-quality new homes that achieve the latest London housing standards.
  - Mayor's Transport Strategy – supports delivery of car-free development, the comprehensive development around the new HS2 Old Oak Common station and Elizabeth Line interchange and safeguards a future WLO station within the masterplan boundary.
  - London Environment Strategy – an increase in public open space, including improved public realm; and increased accessibility and connectivity to public transport and active travel networks.
  - Skills Roadmap for London – with appropriate procurement and skills, employment and education plans in place, the comprehensive development of land at Old Oak can benefit those who are overrepresented in local unemployment figures (especially young Black people).

- Culture Strategy for London – facilitates the significant, comprehensive development of land at Old Oak as a potential future metropolitan centre that supports globally competitive growth industries. These includes creative industries (art, film and TV, and food), life sciences, education, green tech and precision manufacturing.

#### *Links to wider planning policy*

- 4.3. Comprehensive regeneration of land at Old Oak is supported in national and local planning policy. The Old Oak project covers portions of the Old Oak and Harlesden Neighbourhood Areas, as identified within the OPDC's Local Plan 2022. The OPDC also adopted the Old Oak West SPD on 28 February 2024; this provides guidance to shape the future of the area, reflecting the OPDC's Local Plan policies and community aspirations.

#### *Consultations and impact assessments*

- 4.4. Since 2023, the OPDC has undertaken a programme of public and community engagement on the regeneration of land at Old Oak; and to activate community participation. Workshops, and in-person and online events, have taken place on the Spatial Principles and Illustrative Masterplan; further events are planned. The OPDC has also engaged with the OPDC's Community Review Group and Place Group, as well as other stakeholders (including the host boroughs, the GLA and TfL) on the Illustrative Masterplan proposals.
- 4.5. The OPDC has undertaken formal engagement with the local planning authority. The Illustrative Masterplan was reported to the OPDC's Planning Committee on 19 June 2025.
- 4.6. Engagement with landowners with interests in the Order Land and occupiers has been under way since 2023. Engagement will continue, with a focus on seeking to negotiate with the remaining owners of interests in the Order Land, and occupiers, in accordance with the Land Assembly and Relocation Strategy formally approved by the OPDC Board in February 2025.
- 4.7. An EqIA has been undertaken to assess the likely impacts of the Old Oak CPO and wider regeneration proposals for the Order Land on groups who share relevant protected characteristics. The EqIA demonstrates how the OPDC has discharged the PSED (Public Sector Equality Duty); and sets out planned actions to support compliance through future stages of development.

#### *Conflicts of interest*

- 4.8. No conflicts of interest have been identified for anyone involved in drafting or clearing this Mayoral Decision.

### **5. Financial comments**

- 5.1. These are set out in part 2 of this decision form.

### **6. Legal comments**

- 6.1. 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. In formulating the proposals in respect of which a decision is sought, officers also 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 GLA can provide the guarantee to DfT, on the basis that doing so will further one or more of the principal purposes set out in paragraph 6.1 above. The GLA also has the power to do anything that facilitates, is conducive of or incidental to doing so. The contents of sections 1-4 of this Mayoral Decision indicate that the decision sought of the Mayor falls within the GLA's statutory powers.

## 7. Planned delivery approach and next steps

<b>Activity</b>	<b>Timeline</b>
Finalised Heads of Terms for the PLA	February 2026
Governance and approvals	March 2026
Entry into PLA	June-September 2026

### **Appendices and supporting papers:**

Appendix 1 – Collaboration Memorandum of Understanding

**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**

If YES, for what reason:

Until what date: (a date is required if deferring)

**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:**

Matt Ruddy has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Sponsoring Director:**

Philip Graham has reviewed the request and is satisfied it is correct and consistent with the Mayor’s plans and priorities.

✓

**Mayoral Adviser:**

David Bellamy 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 the 30 March 2026.

**CHIEF FINANCE OFFICER:**

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

*Fay Hammond*

**Date 30 March 2026**

**Signature**

**CHIEF OF STAFF:**

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

*Richard Watts*

**Date 30 March 2026**

**Signature**

pp on behalf of David Bellamy

