

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD3452

### Homes England Facility Agreement and Security package at Silvertown Quays

#### Programme: Building more homes

#### Executive summary:

Silvertown Quays (SQ) is a major development site in the Royal Docks, owned by GLA Land and Property Limited (GLAP). In 2013, GLAP entered into a Master Development Agreement with The Silvertown Partnership (TSP) to develop the site. In 2022, TSP entered into an agreement with The Homes and Communities Agency, trading as Homes England (HE), for an infrastructure loan.

It is proposed that, at the time of the investment by GLA in TSP (as approved, subject to approval of this decision, in Mayoral Decision (MD) 3443), TSP will enter into a restated HE loan facility for £233 million, on the terms set out in this decision; and, following another MD, accept a HE Brownfield Investment grant for £27.1 million.

The Mayor is asked to approve those terms and the terms of the proposed security from GLA and GLAP, also as detailed in this decision, required to secure the HE facility agreement; and to enable HE to provide the restated facility to TSP. A delegation of statutory powers to HE is also sought.

This decision form also includes updates to matters outlined in MD3423 and MD3443.

#### Decision:

That the Mayor:

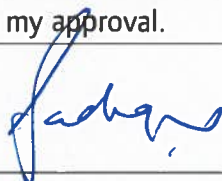
- delegates to Homes England (HE) (legal entity, the Homes and Communities Agency) some of the Mayor's functions as set out in Appendix 1 (the Delegation), for the purposes of enabling HE to provide loan finance to The Silvertown Partnership LLP (TSP) in respect of the Silvertown Quays (SQ) project in accordance with the conditions set out Appendix 1
- approves:
  - GLA Housing Investments (Silvertown) Limited (GLAHIS), as 50 per cent shareholder of TSP, entering into the restated and amended HE loan facility for £233 million – thereby giving effect to the loan facility, materially on the terms set out in parts 1 and 2 of this decision
  - GLA Land and Property Ltd (GLAP) granting a legal charge over its land at SQ to HE, as part of the security package for the HE loan facility, materially on the terms set out in Parts 1 and 2 of this decision
  - GLAP disposing land to TSP in accordance with the terms of the Master Development Agreement (as varied in accordance with terms approved in MD3423), subject to the Secretary of State providing specific consent as detailed in part 2 of this decision
  - GLA providing a guarantee to HE, as security for the HE loan facility, materially on the terms set out in parts 1 and 2 of this decision, and other ancillary documentation necessary thereto
  - GLA, GLAHIS, GLA Holdings and GLAP entering a supplemental deed to the HE loan facility materially on the terms set out in part 2 of this decision
  - allocating £1.5 million from the £110 million capital budget allocated to GLAHIS, approved in MD3443, towards specified joint-venture spend, as set out in part 2
  - the updated Business Plan to the joint venture and updated Governance table, as set out in part 2
  - that the transaction as detailed in this decision, MD3423 (proposed amendments to the MDA) and MD3443 (GLA investing in TSP on a 50 per cent shareholding basis) may proceed to completion.

#### 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:

24/3/20

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

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

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

- 1.1. Silvertown Quays (SQ) is a 60-acre development site in the Royal Docks Enterprise Zone, owned by GLA Land and Property Ltd (GLAP). In June 2013, following a regulated procurement for a development partner to deliver a mixed-use development at SQ, GLAP entered into a Master Development Agreement (MDA) with the developer, The Silvertown Partnership LLP (TSP) and BREPS LLP. TSP had an outline planning permission (OPP) granted in August 2016.
- 1.2. The site is currently under development in phase 1, where plot 6 recently completed 106 affordable homes with The Guinness Partnership. The remaining parts of the site are at different planning and design stages. The next plot to be progressed within phase 1 is expected to be plot 1D2D; this will deliver a further 336 affordable homes. A planning application was submitted in December 2022 (with amendments made in October 2023 and December 2024). This application was approved at London Borough of Newham's (LB Newham's) planning committee in December 2025 for around 7,000 homes; and includes 30 per cent affordable housing by habitable room.
- 1.3. TSP has an existing £233 million loan facility with Homes England (HE) to help fund the project's infrastructure. Due to the challenges affecting the project outlined in MD3423 and MD3443, it has been necessary to negotiate revised terms to the facility agreement.
- 1.4. The loan facility includes a series of milestones covering housing delivery, infrastructure delivery, and repayment obligations.
- 1.5. As part of this restructure, and to provide adequate loan security to HE for the loan facility, each counterparty will pledge different forms of security:
  - TSP will provide a debenture and charges over its assets to HE
  - GLA will provide a capped and several £116.5 million interest and principal loan repayment guarantee on behalf of GLA Housing Investments Silvertown Ltd's (GLAHIS's) 50 per cent interest in TSP
  - GLAP will provide a charge over its land at SQ to HE
  - Lendlease (LL) and, subsequently, The Crown Estate will also provide security for their 50 per cent share of the loan.
- 1.6. More historic detail and background relating to the site can be found in Mayoral Decision (MD) 3443, MD2423 and MD2965.
- 1.7. The MDs are listed below:
  - MD2280 (May 2018) – approval of the change of control under the MDA
  - MD2523 (October 2019) – approval for annual expenditure and income; and a note regarding the potential changes to the MDA to secure affordable housing policy compliance
  - MD2784 (September 2021) – approval to enter into a Deed of Variation to the MDA to facilitate changes in counterparty identity within TSP, as well as an increase in affordable housing to 50 per cent
  - MD2965 (March 2022) – Homes England Funding

- MD3160 (November 2023) – budget approval for commercial and legal fees
  - MD3423 (September 2025) – proposed variations to the MDA
  - MD3443 (November 2025) – proposal to enter into a joint venture (JV) at SQ.
- 1.8. HE ordinarily has no statutory remit to operate in Greater London, that role and function having been transferred to the GLA (to be exercised by the Mayor) by the Localism Act 2011. HE's statutory objects under section 2 of the Housing and Regeneration Act 2008, which include the duty to secure the regeneration or development of land or infrastructure, were changed to exclude Greater London. Therefore, HE has no powers to give financial assistance for those purposes for a project in Greater London, such as the SQ site, under section 19 of that Act.
- 1.9. The equivalent GLA functions are under sections 30 and 34 of the Greater London Authority Act 1999 (the GLA Act), which are exercisable by the Mayor on its behalf.
- 1.10. HE entered into a loan facility to provide infrastructure finance of up to £233 million to TSP on 31 March 2022 to facilitate the development at the SQ site, as detailed in MD2965, further and subject to the Mayoral Delegation set out in that decision.
- 1.11. It is proposed that the Mayor delegates powers to HE, as set out in Appendix 1 (Delegation), to enable HE to provide the restated and amended loan facility to TSP, subject to the conditions set out in the delegation.
- 1.12. In relation to the proposed HE Brownfield Investment grant, a delegation to HE to provide the grant within Greater London was approved under MD3190.

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

### *A strategic site needs a strategic partner*

- 2.1. SQ is a major mixed-use regeneration project forecast to deliver over 7,000 homes of all tenures within the only Enterprise Zone in London. It is one of the last remaining brownfield sites of this scale in London.
- 2.2. Due to its strategic location and scale, it is a crucial part of delivering the Royal Docks' inclusive growth and regeneration agenda. The aim of SQ is to bring new homes, public realm, infrastructure and businesses to the area, to benefit local residents and Londoners more widely.
- 2.3. The project has been impacted by unforeseeable external factors. These include the change in building safety regulations including the requirement for additional staircases and resulting reduction in habitable space; and the continued impact of the COVID-19 pandemic and subsequent inflation on commercial and residential development markets and planning policy. The GLA has a role to play in sharing risks with the private sector to maintain momentum on this strategic site under its ownership.
- 2.4. This is a complex, multi-phased project that requires a committed partner with a long-term investment horizon and vision. The GLA has a track record in playing this role. As part of the Mayor's ambitions for a new City Hall developer, the GLA is committed to expanding its investment approach to other critical sites, subject to available resources.

### *Investment opportunity*

- 2.5. The continued delivery of the site will enable additional certainty and opportunity to optimise land receipts for GLAP, business rates for the Royal Docks Enterprise Zone, and realise a return on the GLA's equity investment in the JV.

### **3. Equality comments**

- 3.1. Under section 149 of the Equality Act 2010 (the Equality Act), the Mayor and GLA must comply with the Public Sector Equality Duty (PSED) and must have due regard to the need to:
  - eliminate unlawful discrimination, harassment and victimisation, and any other conduct that is prohibited by or under the Equality Act
  - advance equality of opportunity between people who share a relevant protected characteristic and those who do not
  - foster good relations between people who share a relevant protected characteristic and those who do not.
- 3.2. 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. Compliance with the duty may involve ensuring people with a protected characteristic are provided with all the opportunities that those without the characteristic would have.
- 3.3. Increasing the supply of housing in London will help to address problems such as overcrowding and homelessness. Evidence indicates these problems disproportionately affect specific groups, including Black, Asian and minority ethnic groups, and women.
- 3.4. The delivery of new and additional homes will help to implement the objectives of the Mayor's Equality Diversity and Inclusion (EDI) Strategy, Inclusive London (May 2018). This includes working with housing associations, councils, developers, investors and government to help increase the supply of homes that are genuinely affordable to buy or rent. This will help to tackle the inequalities experienced by certain groups of Londoners most affected by the city's shortage of affordable homes.
- 3.5. The outline masterplan has been designed to provide a substantial amount of affordable, family homes, and accessible homes in line with the new London Plan. This will advance equality of opportunity for groups with a protected characteristic.
- 3.6. LB Newham is one of the most disadvantaged boroughs in London, and one of the most diverse in terms of faith and ethnicity. The masterplan is designed to respond to the diversity of the surrounding area; and, in the design of the landscape and homes, will follow all Part M building-regulation requirements to create an accessible development in the Royal Docks.
- 3.7. There is a high proportion of young people in LB Newham compared to other London boroughs. The play space, landscaping and education facilities will create opportunities for communities to come together and foster good relations between diverse groups.
- 3.8. A set of EDI performance metrics have also been designed to focus the JV on achieving positive impacts locally and more widely. This includes apprenticeships, placements, and workforce diversity targets respectively, relating to the project itself and to LL as a counterparty to the transaction. These metrics will be reviewed regularly to ensure accountability and continuous improvement.

### **4. Other considerations**

#### *Key risks and issues*

- 4.1. Key risks relate to achieving project delivery and repayment milestones as per the terms of the proposed HE loan facility. Further information is included in part 2 of this decision.

### *Links to Mayoral strategies and priorities*

- 4.2. This intervention is focused on strategic land owned by GLAP and consistent with the delivery plan for the Mayor's Building More Homes programme (approved by MD3378), particularly with the commitment to create a City Hall Developer.
- 4.3. The London Housing Strategy sets out the policy rationale for the GLA to take a more interventionist approach in London's land market, with the aims of maximising affordable housing delivery, and accelerating the speed of building – including on public land.
- 4.4. The GLA's entry into the Silvertown JV exemplifies this approach by using public land and capital to unlock a complex, large-scale regeneration site that would benefit from a long-term strategic partner such as the GLA. The JV structure, alongside HE's investment, enables the GLA to take a more active role in shaping delivery outcomes; accelerating housing supply; and ensuring high levels of affordable housing.
- 4.5. The loan facilitates investment in this project and supports the objectives of the London Plan (2021), which identifies SQ as part of the Royal Docks and Beckton Riverside Opportunity Area – a strategic location earmarked for thousands of new homes and jobs. The project contributes to the Plan's goals of optimising brownfield land; delivering mixed-tenure housing; and creating sustainable, inclusive neighbourhoods with close access to good public transportation links.
- 4.6. Finally, the project is a key initiative within the Royal Docks Delivery Plan (2024-29), which sets out a vision for regeneration, enterprise and placemaking in London's only Enterprise Zone. Silvertown is central to delivering the Plan's goals of prosperity, sustainability, and community benefit.

### *Conflicts of interest*

- 4.7. The officers involved in the drafting or clearance of this form do not have any interest to declare, in accordance with the GLA's policy on registering interests that might, or might be seen to, conflict with this Decision.

## **5. Financial comments**

- 5.1. As a JV partner, the GLA is entering into an arrangement that offers both a greater return and greater risk than support consisting of grant, loan or land disposals. As set out in this document, the London Housing Strategy has allowed for a more interventionist approach from the GLA which in a difficult economic environment is necessary to avoid schemes stalling and ensure the delivery of essential housing and regeneration in London.
- 5.2. As a JV partner, the GLA is aiming to realise an equity return on its investment that would allow further investment in housing and regeneration in London. This must be balanced against the risk for the scheme failing to deliver on its business plan – in which case, some or all of the receipt of the GLA's land, its equity investment and return may be at risk. In addition, the GLA may be liable for some or all of its guarantee obligation of up to £116.5 million and the charge on the Silvertown land owned by GLAP to be called on.
- 5.3. MD3443 set out the financial risks, stress testing and mitigations that supported an in-principle decision to enter into the JV. The core forecast in that report showed the GLA generating an equity return and the HE loan being repaid.
- 5.4. A more detailed analysis of the loan itself, the guarantees being offered by the GLA and the implications for the GLA's subsidiary companies is set out in part 2 of this report.

## 6. Legal comments

### Mayoral delegation

- 6.1. For HE to provide the restated loan facility to TSP towards the infrastructure required at the SQ site, it is necessary for the Mayor to provide HE with the necessary powers to do so as it otherwise has no statutory remit in Greater London because from 1 April 2012, HE's powers to operate in Greater London ceased, by virtue of the Localism Act 2011.
- 6.2. Under section 38 of the GLA Act any function exercisable on behalf of the GLA by the Mayor shall also be exercisable on behalf of the GLA by any of the bodies or persons specified in subsection (2), if or to the extent that the Mayor so authorises, whether generally or specially, and subject to any conditions imposed by the Mayor. The Homes and Communities Agency is one of the bodies specified in subsection (2). The exercise of the power to delegate functions under section 38 is a matter reserved to the Mayor under the Mayoral Decision Making in the GLA framework. The delegation to HE is set out in Appendix 1 (Delegation).
- 6.3. Section 38(3) of the GLA Act requires that HE must consent to the delegation in writing. HE has consented to the delegation.
- 6.4. Section 38(7) of the GLA Act gives HE the power to exercise any functions delegated to it by the Mayor pursuant to section 38, whether or not HE would otherwise have had that power and irrespective of the nature of that function.
- 6.5. Section 38(10) of the GLA Act requires the delegation to be in writing and it is set out in Appendix 1. The delegation to HE is made subject to a number of conditions some of which are standard. The condition set out in paragraph 3 concerning cooperation with the GLA Monitoring Officer is a requirement of section 73(6) of the GLA Act.

### Other matters

- 6.6. Additional legal comments are provided in Part 2 of this Decision.
- 6.7. Under Section 30 of the GLA Act the Mayor, acting on behalf of the GLA, has the power to do anything that he considers will further one or more of the GLA's principal purposes 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.

In deciding whether or how to exercise the general power in section 30(1) and section 30(4), the GLA Act requires the GLA to have regard to the effect which the proposed exercise of the power would have on:

- the health of persons in Greater London
  - the health inequalities between persons living in Greater London
  - the achievement of sustainable development in the UK
  - climate change, and the consequences of climate change.
- 6.8. Where the GLA exercises the power under section 30(1), pursuant to section 30(5) it must do so in the way which it considers best calculated to:
    - promote improvements in 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
- contribute towards the mitigation of or adaptation to climate change in the United Kingdom.

- 6.9. The GLA must also make arrangements with a view to securing that in the exercise of the power in section 30(1), there is due regard to the principle that there should be equality of opportunity for all people in accordance with section 33 of the GLA Act and consult with such bodies or persons as the GLA may consider appropriate in this particular case in accordance with section 32 of the GLA Act.
- 6.10. Under section 34 of the GLA Act, the GLA, acting by the Mayor, the Assembly, or both jointly, may do anything that is calculated to facilitate, or is conducive or incidental to, the exercise of any functions of the GLA exercisable by the Mayor; or, as the case may be, by the Assembly, or by both acting jointly. The foregoing sections of this report indicate that the decisions requested by the Mayor concern the exercise of the GLA's general powers under section 30 and section 34 of the GLA Act.

## 7. Planned delivery approach and next steps

- 7.1. The project will be delivered according to the following timetable:

Tasks	Estimated date
Legal completion of the JV, MDA variation, HE loan facility and all other ancillary documentation, subject to this MD approval	30 March 2026
First drawdowns of funding from GLAHIS to the JV	10 April 2026

**Appendices and supporting papers:**  
Appendix 1 – Instrument of Delegation.

**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? YES**

If YES, for what reason: to match the expected legal transaction timeframes.

Until what date: 30 March 2026

**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 officer to confirm the following (✓)

**Drafting officer:**

Marc Jacquemond 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 2 March 2026.

**CHIEF FINANCE OFFICER:**

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

**Date** 20 March 2026

**Signature**

pp on behalf of Fay Hammond

**CHIEF OF STAFF:**

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

**Date** 2 March 2026

**Signature**