

# GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3487

**Brownfield, Infrastructure and Land agreement at Silvertown Quays**

**Programme: Building more homes**

## **Executive summary:**

Silvertown Quays 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 connection with the GLA's approved investment (through its subsidiary, GLA Housing Investments (Silvertown) Ltd) of a 50 per cent share in TSP (approved under Mayoral Decision 3443), TSP is expected to enter into a £27.14 million Brownfield Housing grant-funding agreement with Homes England (HE).

As part of the grant conditions, each member of the joint venture must provide a parent-company guarantee to HE, for its proportionate share of TSP's obligations under the grant agreement. This paper seeks approval from the Mayor for GLA to provide this guarantee.

The grant agreement, and related guarantees, are expected to be entered into at or near completion of the joint-venture transaction.

The Mayor is asked to approve the terms of the proposed grant agreement, and the GLA parent company guarantee to HE.

## **Decision:**

That the Mayor:

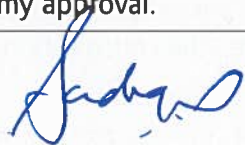
- notes the proposed terms, in this decision, for the £27.14 million Brownfield, Infrastructure and Land (BIL) grant-funding agreement to be provided by Homes England (HE) to The Silvertown Partnership LLP (TSP) (in which GLA Housing Investments (Silvertown) Ltd will be 50 per cent shareholder)
- approves the GLA providing a repayment and cost overrun parent company guarantee in favour of HE, on a several basis and capped at in relation to the GLA Housing Investments (Silvertown) Ltd's share of TSP's obligations under the BIL grant-funding agreement, capped at £13.57 million (i.e. 50 per cent of £27.14 million), substantially on the terms set out in part 2 of this document
- delegates authority to the Executive Director of Housing and Land, to approve by record in writing, the outstanding commercial terms of the guarantee proposed to be provided by GLA within the approved capped amount
- approves minor corrections to the business plan, as appended in part 2.

## **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:**

29/3/16

## **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 one, 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 one 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; this includes 30 per cent affordable housing by habitable room.
- 1.3. More historic detail and background relating to the site can be found in Mayoral Decision (MD) 3443, MD2423 and MD2965.
- 1.4. The relevant MDs are listed below:
  - MD2280 (May 2018) – approval of the change of control under the MDA
  - MD2523 (October 2019) – approval for annual spend and income; and a note regarding 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 in TSP; and an increase in affordable housing to 50 per cent
  - MD2965 (March 2022) – Homes England (HE) 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
  - MD3452 (March 2026) – approval to enter into the HE facility agreement, and security package at SQ.

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

- 2.1. Funding under the Brownfield, Infrastructure and Land (BIL) fund is intended to bridge an identified viability gap, and address market failure. This ensures the site can progress to development in line with planning approvals and the strategic objectives (in this case, those of the GLA's regeneration and housing programmes). The grant supports the delivery of infrastructure (dock wall repairs and the delivery of the Royal Victoria Dock bridge) which facilitates the construction of new homes and commercial space.
- 2.2. Specifically, the BIL funding will assist with the delivery of the new Royal Victoria Docks bridge. This will be part-funded by the grant, and is critical to connectivity across SQ and the wider area (up to Custom House). This will improve public transport access for current and future SQ residents, and the

wider area. The increased connectivity and footfall are also expected to improve ground floor and non-residential activation in the SQ masterplan area. This includes supporting events in the public realm and commercial spaces. The bridge makes up a key part of the character area for Silvertown Centre and Mill Square.

- 2.3. The availability of the grant is time-limited. This ensures it remains integral to the business plan approved in MD3452.

### **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. The grant supports the viability of the project via the delivery of site infrastructure. It enables the supply of housing in London which 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. This includes working with housing associations, councils, developers, investors and the 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. In the design of the landscape and homes, it 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 will foster good relations between diverse groups.
- 3.8. A set of EDI performance metrics has 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 Lendlease 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 relating to the grant and guarantee terms are set out in part 2 of this decision.

### *Links to Mayoral strategies and priorities*

4.2. The HE grant is consistent with the delivery plan for the Mayor's Building More Homes programme (approved by MD3378) – particularly the commitment to establish a City Hall developer capable of deploying public capital to unlock complex regeneration sites. The £27.1 million BIL grant will directly enable TSP to deliver the site-wide enabling infrastructure that is a prerequisite to housing delivery, at scale, on this strategic brownfield site.

4.3. The works funded by this agreement comprise:

- roads and transport infrastructure
- principal drainage and utilities
- community infrastructure
- strategic landscaping
- more specifically, repairs to the Dock walls and the delivery of the Royal Victoria Dock bridge.

4.4. This work will directly unlock the delivery of up to 5,900 residential units at SQ as part of an overall masterplan of over 7,000 homes. A specific output of the agreement is the Royal Victoria Dock Bridge, which will provide a new active travel and pedestrian connection across the dock, improving access to and from the site and supporting the inclusive, connected neighbourhood envisaged in the masterplan.

4.5. The grant 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 infrastructure funded under this agreement directly contributes to the Plan's goals of:

- optimising brownfield land
- delivering mixed-tenure housing
- creating sustainable and inclusive neighbourhoods with strong public transport connectivity.

4.6. There are no conflicts of interest to note from any officer involved in the drafting or clearance of this decision form.

## **5. Financial comments**

5.1. The HE grant, for which a parent company guarantee is being sought in this agreement, is for the construction of a bridge and associated infrastructure, to improve transport links between the regeneration site and at Custom House.

5.2. The construction of the bridge will be undertaken by TSP; and funded through contributions from TSP, the London Borough of Newham and an HE grant of £27.14 million.

5.3. The grant contains a number of conditions, including:

- completion of the bridge and associated infrastructure
  - delivery of 3,179 housing units
  - an obligation that cost overruns on the project are funded by TSP.
- 5.4. In the event that the conditions of the grant are not met, TSP is obligated to refund some or all of the grant. If the project experiences a cost overrun, TSP is obliged to fund the cost overrun.
- 5.5. To the extent that TSP is unable to meet these obligations, the grant guarantors (Lendlease and the GLA) are obligated to guarantee their respective shares of these obligations. The extent of these obligations is up to the sum of the HE grant.
- 5.6. Further analysis of the financial guarantee risk is included in part 2 of this report.

## **6. Legal comments**

- 6.1. 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.
- 6.2. 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.
- 6.3. In relation to the proposed BIL grant from HE a delegation to HE to provide the grant within Greater London was approved under MD3190.
- 6.4. In relation to the proposed delegation to the Executive Director Housing and Land to finalise the terms of the proposed guarantee, section 38 of the GLA Act provides that any function exercisable on behalf of the GLA by the Mayor shall also be exercisable by, amongst others, any member of staff of the GLA, if or to the extent that the Mayor authorises and subject to any conditions imposed by the Mayor.
- 6.5. 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), 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.
- 6.6. Additionally, 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 UK; and contribute towards the mitigation of or adaptation to climate change in the UK
  - consult with appropriate bodies.

- 6.7. Under section 34 of the GLA Act, which allows the Mayor to do anything that is calculated to facilitate, or is conducive or incidental to, the exercise of any of his functions (including his functions under section 30) and the Mayor's powers (under section 38 of the GLA Act) to delegate to any GLA member of staff functions of the GLA that are exercisable by him, the foregoing sections of this report indicate that the Mayor has the power to agree to the decisions set out above.
- 6.8. Please see further legal comments in part 2 of this decision.

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

- 7.1. This work will be delivered according to the following timetable:

<b>Activity</b>	<b>Estimated timeline</b>
Entry into the HE grant agreement	30 March 2026
First drawdowns under the HE grant agreement	30 April 2026

### **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? 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 16 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 16 March 2026

Signature

