

# GREATER LONDON AUTHORITY

## REQUEST FOR DIRECTOR DECISION – DD2775

### Title: LLDC General Financial Assistance (intra-group loans) Consent 2026

#### Executive Summary:

This decision seeks approval for a new general consent for the London Legacy Development Corporation (LLDC) to give loans to its subsidiaries under certain defined circumstances. Approval is required under Section 213 and 221 of the Localism Act 2011.

#### Decision:

The Executive Director of Good Growth approves, under delegated authority from the Mayor and following consultation with the Chief Finance Officer, a general consent, in accordance with sections 213 and 221 of the Localism Act 2011, for the London Legacy Development Corporation to provide financial assistance in the form of loans to its subsidiaries. The LLDC General Financial Assistance (intra-group loans) Consent 2026, attached at Appendix 1, sets out the conditions under which any such loans may be made.

#### AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

**Name:** Philip Graham

**Position:** Executive Director, Good Growth

**Signature:**



**Date:** 27 April 2026

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE**

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

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

- 1.1. The Localism Act 2011 provides at section 213, that ‘an Mayoral development corporation (MDC) may, with the consent of the Mayor, give financial assistance to any person’. This means that the provision of financial assistance from the LLDC, of whatever size and in whatever form including loans, whatever the source of its funding, must be approved by the Mayor before it is made. Section 221 of the Localism Act 2011 permits the Mayor to give a general consent, including unconditionally or subject to conditions.
- 1.2. Under section 212 of the Localism Act 2011 London Legacy Development Corporation (LLDC) can (subject to consent of the Mayor) establish subsidiaries and LLDC received Mayoral consent to establish the Stratford Waterfront Retail Management Company Limited (Retail Co), (via Director Decision DD2635), Pudding Mill Legacy Developments Limited (via Mayoral Decision MD3087), and Stratford East London Developments Limited (via MD2428). The objectives of these subsidiaries are to deliver high-quality new retail provision and to form joint venture partnerships to deliver residential developments that align with the LLDC’s Priority Themes; to generate a level of financial return that makes a significant contribution alongside the GLA’s overall funding of the LLDC; and to deliver affordable housing in a manner consistent with the Mayor’s affordable housing policies and the agreed portfolio approach.
- 1.3. In 2014, LLDC received a general consent to give grants in certain defined circumstances via DD1245 (LLDC General Financial Assistance (Grant) Consent 2014). That consent, agreed by the GLA and LLDC, brought section 106 and Community Infrastructure Levy (CIL)-derived financial assistance under the purview of the LLDC’s general grant consent, alongside other (non-CIL or section 106) grants where the grant’s total lifetime cost is between one pound (£1) and one hundred and fifty thousand pounds (£150,000).
- 1.4. In order to provide the LLDC with a degree of autonomy broadly consistent with its other powers and delegated spending limits, the proposed General Financial Assistance (intra-group loans) Consent (attached at Appendix A) would grant the LLDC a general consent under Section 213 of the Localism Act 2011 to provide financial assistance by way of loans to its subsidiaries alone, subject to the following conditions:
  - 1) The total lifetime value of any individual loan must be between one pound (£1) and two hundred and fifty thousand pounds (£250,000). The total value of all such loans provided in any single financial year must not exceed five hundred thousand pounds (£500,000) across all subsidiaries, and the funding must be included within the LLDC’s Long Term Model and remain within its overall borrowing limits.
  - 2) Loans may only be made to LLDC subsidiaries that are assessed to be viable and going concerns.
  - 3) Loans must be interest-bearing, with interest set at the prevailing Public Works Loan Board (PWLB) rate or another suitable alternative rate deemed appropriate by LLDC.
  - 4) LLDC are satisfied, where necessary, that the loan will be repaid in full in due course.
  - 5) The requirement under point (4) does not apply in cases where the LLDC is acting to passport the loan—i.e., where it passes funding from a third-party organisation to a subsidiary without retaining the risk—provided appropriate controls and conditions are in place.
  - 6) LLDC must ensure that any loan provided under this consent is compliant with the Subsidy Control Act 2022 and associated guidance. Where applicable, LLDC will undertake a subsidy

control assessment and maintain records demonstrating compliance (including that the loan is on market terms or otherwise falls within a permitted exemption or threshold).

- 1.5. Under the proposed General Financial Assistance (intra-group loans) Consent, the LLDC will be required to maintain an up-to-date record of all proposed loans for financial assistance, as well as any loans made together with repayments made under those loans. This information will be shared with the GLA on an annual basis.
- 1.6. The Executive Director of Good Growth, operating in consultation with the Chief Finance Officer, is authorised to discharge and exercise certain Mayoral functions relating to LLDC's governance under the LLDC Governance Direction 2019 (approved via MD2502), including in respect of any financial assistance by LLDC (that does not already fall within the scope of or meet the terms of the LLDC General Financial Assistance (Grant) Consent 2014) and so may approve the giving of this proposed general intra-group loan consent.

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

- 2.1. The objective of the proposed new General Financial Assistance (intra-group loans) Consent is to enable LLDC subsidiaries to access funding necessary to fulfil their intended purposes. These loans will primarily support initial start-up and operational costs, such as enabling cash flow, to ensure timely delivery of projects. All loans will be structured with the expectation of full repayment.
- 2.2. Granting this general consent will allow the LLDC to operate more efficiently by reducing the need to seek Mayoral consent for each individual loan transaction. This streamlined process will support the timely delivery of regeneration, housing, and economic development projects within Queen Elizabeth Olympic Park. It also helps ensure effective use of public funds by maintaining financial oversight while allowing LLDC subsidiaries the flexibility needed to manage operational and delivery risks.
- 2.3. This, in turn, will support the objective of achieving financial sustainability, as revenue generated by the subsidiaries will be returned to the LLDC through loan repayments and future income streams.

## **3. Equality comments**

- 3.1. Under section 149 of the Equality Act 2010 (the Equality Act), as public authorities, LLDC and the GLA are subject to the public sector equality duty which means that, when carrying out their functions, they 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, and to have due regard to the need to advance equality of opportunity between people who share a protected characteristic and those who do not and the need to foster good relations between people who share a protected characteristic and those who do not, Protected characteristics under the Equality Act include age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.
- 3.2. LLDC since its inception has worked closely with the Growth Boroughs and with local communities to ensure that the Park is a place which is accessible and welcoming to all, regardless of disability, gender, race, ethnicity, or sexual orientation, and that a diverse range of views are factored into ongoing development and management of the Park.
- 3.3. There are no anticipated equality impacts arising from the proposed decision to approve the proposed general consent. In addition, it is to be noted that any financial assistance provided pursuant to the general consent will be utilised to deliver existing LLDC priorities through its subsidiaries.

## **4. Other considerations**

### *Key risks and issues*

- 4.1. The purpose of this proposal is to achieve an appropriate balance of risk in the GLA's relationship with the LLDC – ensuring that, on the one hand, the GLA has adequate oversight of certain lending decisions of the LLDC, and in some cases (such as where a new subsidiary loan(s) will exceed the individual and/or aggregate limit prescribed by the consent), that these decisions are referred to the Mayor for consent, while ensuring on the other hand that the LLDC has the autonomy and flexibility to act on other intra group lending matters consistent with its powers and delegated spending limits, without being unnecessarily fettered. These measures are intended to manage risks to the Mayor associated with the work of the LLDC in light of that required balance.
- 4.2. There is a risk that a subsidiary may cease to be a going concern while still holding outstanding loan balances owed to the LLDC. However, this is considered a low risk, and the LLDC has governance and reporting structures in place to monitor and manage this risk appropriately.

### *Links to Mayoral strategies and priorities*

- 4.3. This general consent underpins the GLA's Delivery Plans by accelerating the implementation of regeneration initiatives that contribute to the Mayor's London Plan Good Growth priorities, Economic Development Strategy and objectives of the London Growth Plan. It enables faster deployment of funding and resources to the relevant subsidiary(s) to support local enterprise, innovation, and inclusive economic development, particularly in East London. This approach enhances responsiveness, reduces administrative barriers, and ensures that projects can be delivered efficiently, helping achieve the Mayor's long-term objectives for a fairer, more sustainable, and dynamic London economy

### *Consultations and impact assessments, including data protection*

- 4.4. It is not considered that the Mayor need undertake any additional impact assessment or consultation in respect of this decision.
- 4.5. No individual involved in the preparation, review, or approval of this report has declared or registered any conflict of interest in relation to its content or findings.

## **5. Financial comments**

- 5.1. This decision in itself does not commit resources on behalf of the GLA. The proposed thresholds for consent for loans to LLDC's wholly owned subsidiaries are consistent with LLDC's Scheme of Delegation. Oversight of any such loans will continue through general budget monitoring of LLDC and through the development and approval of its annual budget and business plan.

## **6. Legal comments**

- 6.1. Under section 213 of the Localism Act 2011 (the Act), the Mayor must consent to the LLDC (as a Mayoral Development Corporation) giving financial assistance to any person. Financial assistance can take a number of forms, including by way of grant, loan, guarantee or indemnity, investment or incurring expenditure for the benefit of the person assisted. The financial assistance may be given by LLDC on such terms and conditions as LLDC considers appropriate, (including provision for repayment, with or without interest). Under section 221(1), a consent under section 213 may be given unconditionally or subject to conditions, and generally or specifically.
- 6.2. In 2019 an Updated LLDC Governance Direction was made under section 220 of the Act. Under that Direction the Executive Director shall exercise the Mayor's function under the Direction. The Direction requires that Consent is obtained to any financial assistance by LLDC that does not already fall within or meet the terms of the LLDC General Financial Assistance (Grant) Consent 2014). Consent means

the consent of the Mayor and/or the Executive Director on behalf of the Mayor under the Direction. For such purposes the Executive Director means the Executive Director of Good Growth operating in consultation with the Chief Finance Officer, or such other member of GLA staff authorised under Mayoral-Decision Making in the GLA and GLA Financial Regulations.

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

| <b>Activity</b>  | <b>Timeline</b> |
|--|-----------------|
| Executive Director of Good Growth’s consent to the LLDC General Financial Assistance (intra-group loans) Consent | April 2026      |

**Appendices and supporting papers:**

LLDC General Financial Assistance (intra-group loans) Consent 2026

**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**

**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 – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:** Jamie Dean has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Assistant Director/Head of Service:**

Louise Duggan has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

**Financial and Legal advice:**

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

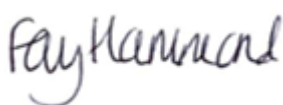
✓

**Mayoral Delivery Board**

A summary of this decision was reviewed by the Mayoral Delivery Board on 27 April 2026.

**CHIEF FINANCE OFFICER:**

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



**Date** 28 April 2026

**Signature**