

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2812

Excel London – Budget

Programme: Building More Homes, and Royal Docks Delivery Plan 2024-2029

Executive Summary:

Excel London is a major driver of economic growth and business tourism for London; the London Borough of Newham; and the Royal Docks. The site's freehold is owned by GLA Land & Property Limited, with a long leasehold to London International Exhibition Centre. The Royal Victoria Square masterplan has undergone significant design changes and commercial evolution – including new residential typologies; movement strategies; and updated phasing and unit mixes. As a result, continued and enhanced legal, commercial and technical support is required to complete lease variations; finalise agreement documentation; and ensure accurate revised financial modelling.

This Director Decision seeks approval for project expenditure and income over the next five years.

Decision:

The Executive Director of Housing and Land approves expenditure of up to £165,000, from the GLA Land and Property budget, on legal, commercial and consultancy fees, related to the Excel London estate, between 2026-27 and 2030-31.

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: Tim Steer

Position: Executive Director Housing and Land

Signature:



Date: 29 June 2026

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. Every year, Excel London draws 4 million visitors to the Royal Docks; and generates economic and social value through a variety of food and beverage, and entertainment attractions. It is a major contributor to the broader regeneration programme at the Royal Docks. The Excel London estate is a significant landholding in the Royal Docks, and is critical to the cohesive transformation of the area.
- 1.2. The Excel London estate serves as the gateway to the Royal Docks from the Elizabeth Line, and the DLR station at Custom House; it also has a significant frontage along the dock edge. As a result, it has a key role to play in the Royal Docks' place stewardship.
- 1.3. In 2001 the London Development Agency signed a 200-year lease with London International Exhibition Centre (LIEC), as part of developing the centre and surrounding Royal Docks estate. The 2001 lease was primarily focused on the construction of the main exhibition centre. However, it also laid out other development plots that have gradually been developed – largely around the western end of the estate. The lease contains mechanisms for GLA Land & Property Limited (GLAP), as the current freeholder, to receive a capital sum from the development of these plots.
- 1.4. The following approvals relate to this work:
- 1.5. Assistant Director Decision 2317: approved £50,000 for exploring the potential to vary leases and the initial expenditure commissioning legal and commercial.
- 1.6. Mayoral Decision (MD) 2073: approved an umbrella agreement enabling residential development at Royal Eden Dock.
- 1.7. MD2948: approved a Phase 3 extension of Excel London, by adding 25,000 sqm of exhibition space and dock edge improvements.
- 1.8. Director Decision 2523: approved spending up to £80,000 on legal and commercial advice to support the variation of lease documentation
- 1.9. MD3353: approved spending up to £75,000 on legal and commercial advice relating to LIEC estate review.
- 1.10. Following MD3353 (which approved project budget to complete the LIEC lease review), further expenditure approval is required to complete the headlease variation. This is due to several factors, including protracted periods of negotiation; and various additional workstreams, flowing from Excel London's ongoing expansion, requiring bespoke arrangements until the lease is varied. These factors have increased the costs. This DD seeks approvals for further spend to cover the costs of finalising the variation to the lease, and other matters (set out below in paragraph 2.5).

2. Objectives and expected outcomes

- 2.1. The primary focus of the lease was to define the tenant-landlord obligations for the construction and operation of Excel London. However, it also considers how future development and value-sharing is to be dealt with across the estate. Following the opening of Excel London in 2000, LIEC has gradually developed more plots across the estate.
- 2.2. The lease between GLAP and LIEC includes several mechanisms for GLAP to capture value from the business operations of Excel London, and from future development activity on the estate. However, it is complex and ambiguous. The details of this, and lease variations, have been approved and are set out in MD3353.

- 2.3. The GLA's objective for Royal Victoria Square (RVS) is to deliver a residential scheme of around 300 new homes – with at least 35 per cent affordable homes by habitable room and public realm improvements. The joint venture between LIEC and Mount Anvil (the development partner working with Excel to deliver Royal Victoria Square) has progressed the RVS masterplan, reflecting significant design evolution and alignment with strategic objectives for the Royal Docks.
- 2.4. Given the expanded scope (headlease variation drafting to completion; RVS Heads of Terms and Agreement for Lease; additional commercial and planning inputs), the previously set budget is now insufficient. This decision seeks approval to increase expenditure by £165,000.
- 2.5. The extra cost is for the following reasons:
- Extended timelines for headlease variation and the RVS masterplan have increased the need for ongoing legal, commercial and planning support.
 - Design changes: The RVS evolution has introduced new residential typologies, public realm enhancements, and movement strategies – all requiring additional design and technical input.
 - Commercial revisions: Revised scheme parameters (unit numbers, phasing, and mix) require updated financial modelling, valuation advice, and negotiation of Heads of Terms.
 - Legal drafting: This is needed to complete the lease variation, and Agreement for Lease documentation (and includes integrating updated design and commercial provisions).
 - Risk mitigation: Without this uplift, delays to contracting and planning could impact delivery milestones and GLAP's ability to secure value.
- 2.6. The proposed budget also covers the operational costs of managing the lease; and supporting the legal, commercial and planning consultants.
- 2.7. The previous annual spend for the project is outlined in the table below:

Financial year	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	Total
Annual spend (£)	15,968	10,592	23,979	5,194	74,152	22,855	16,290	169,028

- 2.8. There is currently £35,971.69 unspent budget.
- 2.9. Accruals, and anticipated spend to complete the headlease variation and the RVS transaction, amount to £88,000. Including this figure, the current approved budgets will be exceeded by £52,000. This DD proposes increasing the budget to £165,000, to cover contingency costs for reasons set out in section 2.5, above.
- 2.10. Approval is requested for some operational fees for managing the lease.
- 2.11. This DD seeks approval for an annual allocation of £33,000, over five years, to cover ongoing operational costs for legal, commercial and planning consultants. These costs relate to routine approvals, governance, turnover rent audits and viability reviews, required under the varied headlease and future development agreements.
- 2.12. The required budget increase is £165,000 (to cover the remaining work transactions and operational consultant costs). This brings the total budget to £200,971.70 for the period between financial year 2026-27 and 2030-31.
- 2.13. The projected annual spend for the project are:

Year	Annual forecasted spend
2026-27	£53,506.34
2027-28	£36,866.34
2028-29	£36,866.34
2029-30	£36,866.34
2030-31	£36,866.34
Total	£200,971.70

2.14. Note: there is a separate Estates team cost associated with managing the headlease and collecting the turnover rent.

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 are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation and marriage or civil partnership status.
- 3.2. When considering the needs of the existing community, and those that will be affected by the proposed development of the RVS (both now and in the future), any development activity will look to minimise disadvantages to all protected characteristic groups within society. This decision is therefore expected to have positive impacts 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. Evidence indicates these problems disproportionately affect specific groups, including Black, Asian, and Minority Ethnic groups; and women.
- 3.3. This decision will deliver strategic objectives from the Mayor's Equality, Diversity, and Inclusion Strategy (section: making London a great place to live).
- 3.4. The lease variation will make future delivery of residential and other uses on the estate more straightforward. The masterplan development on RVS will create affordable housing; generate employment opportunities; and improve the quality and accessibility of the estate's public realm. Specifically, development on RVS is contingent on the proposed public realm improvements – such as improving step-free access from Excel London to the dock edge, and creating an activated and higher-quality public square.
- 3.5. The London Borough of Newham is one of the most disadvantaged boroughs in London, and one of the most diverse in terms of faith and ethnicity. It is paramount to redevelop this key strategic site in the Royal Docks in a sustainable way; and to consider how regenerating the area will provide benefits for all local communities. The masterplan is being designed to respond to the diversity of the surrounding areas. The design of the public realm and homes will follow all relevant building regulations to create an accessible development in the Royal Docks.
- 3.6. The proposals in this decision form have no negative impact on those with protected characteristics. The GLA's assessment is that this initiative will not have an adverse effect on any groups with a protected characteristics and will assist in fostering good relationships between groups.

4. Other considerations

Key risks and issues

- 4.1. A key risk for this project is ensuring the delivery of the project within budget. The spend requested should support project delivery and increase clarity around the lease variation.
- 4.2. Without the headlease variation, bringing forward development on RVS would require a more complex suite of legal documents akin to the side agreement created for the Royal Eden Dock development. It is also not clear how commercial agreement would be reached on the payments due. As more development on the estate comes forward, GLAP risks continuing to miss out on securing the full value of commercial and residential activity on the estate.

Links to Mayoral Strategies and delivery plans

- 4.3. The RVS masterplan will contribute to the delivery of several Mayoral policies, including those outlined in the London Plan; Building More Homes; Royal Docks Delivery Plan; the Healthy Streets Approach; the Culture Strategy; the London Housing Strategy; and the Transport Strategy. It also indirectly supports Making Best Use of Land. It is aligned with the Mayor's Equalities Framework, to consider the requirements of relevant equalities groups.

Conflicts of interest

- 4.4. There are no conflicts of interest to note for any of those involved in the drafting or clearance of the decision form.

5. Financial comments

- 5.1. The proposed is considered justified as enabling and value protecting investment. The existing lease arrangement are complex and limit the efficient operation of value-sharing mechanism, progressing the lease variation is expected to improve clarity, strengthen GLAP's position in negotiations and ultimately support the effective capture of both capital receipts and ongoing income stream as well as turnover rent.
- 5.2. Funding will facilitate the progression of the Royal Victoria Square development projected to have 300 homes as well as commercial space including updated financial modelling, Heads of terms and Agreement for lease unlocking development value and optimise scheme viability ensuring that appropriate share of uplift from future commercial and residential activity is realised.
- 5.3. The budget will help guard against risk of development proceeding through more complex and less efficient legal structures increasing transaction costs and potentially resulting in sub-optimal commercial outcomes. Additionally, delays to lease finalisation and associated agreements could impact delivery timelines and defer income realisation.
- 5.4. Investment ask is modest in comparison to the scale and strategic importance the asset and development opportunity with the inclusion of provision for ongoing lease management, audit and viability support will further ensure robust financial oversight and income assurance over the life of the arrangement.
- 5.5. The £165,000 expenditure over the next 5-years presents a prudent financial management, supporting income generation, risk mitigation and long-term value maximisation from the Excel estate which will be funded from GLAP's generated income of which income from Excel is averaging c£1.4m year on year. In addition, the expenditure is contained in the company's business plan.

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 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.
- 6.2. 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
 - contribute towards the mitigation of or adaptation to climate change in the UK
 - consult with appropriate bodies.
- 6.3. In exercising the power contained in section 30(1) of the GLA Act, the GLA must have regard to the matters set out in sections 30(3-5) and 33 of the GLA Act; and the Public Sector Equality Duty in section 149 of the Equality Act (as set out in section 3, above).
- 6.4. Sections 1-3 of this report indicate that the decision requested of the Mayor is within the GLA's statutory powers.

7. Planned delivery approach and next steps

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

Activity	Programme
DD approval	June 2026
Variation completion	December 2026
Planning performance agreement to design freeze (including London Borough of Newham/GLA/Design Review Panel/Development Control Members Forum/community/EIA scoping)	March–December 2026 (approximately nine months)
Application drafting to submission	January–March 2027
Determination (including public consultation & GLA Stage 1)	April–September 2027
Section 106 drafting, GLA Stage 2, Decision Notice	October–December 2027

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 either be published 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/NO

If YES, which programme/s does this fall within: Building more homes; Royal Dock Delivery Plan 2024-2029.

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 – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Aliya Sheikh has drafted this report in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service:

Sarah Birt 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

✓

Mayoral Delivery Board

A summary of this decision was reviewed by the Mayoral Delivery Board on 29 June 2026.

CHIEF FINANCE OFFICER:

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

Date 29 June 2026

Signature:



**pp Peter Sebastian, Assistant Director, Financial Services
on behalf of Fay Hammond**