GREATER**LONDON**AUTHORITY

REQUEST FOR MAYORAL DECISION – MD3556

Good Hotel 2

Programme: Building More Homes

Executive Summary:

GLA Land & Property Limited (GLAP) is the freeholder of the Royal Docks and has granted the Water Management Lease (WML) to Royal Docks Waterways (RDW). RDW is in the process of agreeing to sub-let part of the water in Royal Victoria Dock to part of the Good Hotel group who have secured planning consent for a second Good Hotel vessel. LB Newham require that GLAP is party to the Section 106 Planning Agreement. Other associated land agreements (under existing delegations) and a Deed of Indemnity will be signed by GLAP.

Decision:

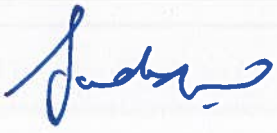
The Mayor is asked to approve GLA Land & Property Limited (GLAP) entering into:

1. the Section 106 Planning Agreement with LB Newham, Royal Docks Waterways (RDW), Great New Vessel BV in relation to the second Good Hotel and ancillary uses
2. a Deed of Indemnity Agreement between GLAP, Great New Vessel BV and Flotilla BV (as guarantor) in relation to the obligations of Great New Vessel BV under the Section 106 Planning Agreement and the Lease with RDW
3. a Licence to Underlet to allow RDW to sign a lease with Great New Vessel BV.

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: 28/10/21

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

Decision required – supporting report

1. Introduction and background

1.1. GLA Land & Property Limited (GLAP) is the freeholder of the water areas of the Royal Docks. Its predecessor organisation (London Docklands Development Corporation) signed a 125-year lease in 1990 with the Royal Docks Management Authority (RoDMA) which now trades as Royal Docks Waterways (RDW). This lease – the Water Management Lease (WML) – sets out a series of obligations on RDW about how it should manage the water. It also limits the extent to which RDW can sub-let part of the water.

1.2. In 2016, planning permission was granted for the current Good Hotel and RDW signed a lease to enable it to be brought to the Royal Docks. Initially it was a temporary project but in 2021 an application to make it permanent was made and approved (planning reference 21/01325/FUL). The current Good Hotel has grown into a successful part of the Royal Docks hospitality offer and it provides a considerable skills programme to support local people into careers in hospitality. To build on the success of the first hotel, planning permission was approved by LB Newham's Strategic Development Committee on 21 April 2026 (planning reference 25/02185/FUL) for the additional facilities including a second hotel with 233 rooms, ancillary food and beverage, and community space, with associated access, boardwalks, bridges, public realm, landscaping, substation and kayak/paddleboard hire.

1.3. Mayoral Decision MD3462 approved the new Long Term Business Plan (LTBP) for RDW which sets out the desire to activate the water and bring more uses to it. Whilst the LTBP does not specifically reference the new Good Hotel, the additional income from the new vessel will supplement other commercial income to RDW and support its long-term financial position.

1.4. The new hotel will have 233 rooms to support the growth in tourism to London and in particular the Royal Docks and Greenwich Peninsula supporting the growth in London's business and leisure tourism. The planning permission also includes a new home for a new open water swimming facility, new floating gardens around the hotel, and publicly accessible pontoons and boardwalks. This investment in public realm on the water will help to support the broader vision of RDW and GLAP to encourage and enable more people to access and experience the water up-close.

1.5. The new Good Hotel will complement the regeneration and redevelopment of the wider Royal Victoria area including:

- RDW's Vision in three components: Floating Wellness; Floating Residential; and the Floating Park
- the proposed new apart-hotel at 1 Dock Road
- the on-going works to Western Gateway to improve cycling and walking facilities as part of the wider Royal Docks Corridor scheme
- the new café in the kiosk adjacent to the Cable Car
- forthcoming developments at Thameside West.

2. Objectives and expected outcomes

2.1. This Decision relates to signing the various legal agreements to enable the new Good Hotel to come to the Royal Docks in 2027. There are three principal documents: the Section 106 Planning Agreement; the Licence to Underlet; and the Deed of Indemnity. These are detailed below.

2.2. Section 106 Planning Agreement: This agreement codifies the planning permission and sets out the conditions relating to the implementation of the consent for the Good Hotel. The legal agreement includes the LB Newham, GLAP, RDW and the applicant (Great New Vessel BV). Great New Vessel BV is a company registered in the Netherlands (the Good Hotel group were founded in Amsterdam). The agreement includes some financial obligations (totalling £599,270) which must be paid at various stages prior to the occupation of the new hotel. A further £100,000 is contingent on the retention of the existing design team. GLAP is not primarily liable for these costs as they will be borne by the applicant (Great New Vessel BV). As the applicant is a new company which has limited financial reserves, GLAP is seeking a Deed of Indemnity from Flotilla BV (the parent company of Great New Vessel BV) to cover the risk of Great New Vessel BV failing to make the necessary payments. This Decision seeks the Mayor's approval for GLAP to sign the Section 106 Planning Agreement.

2.3. Licence to Underlet: RDW and Great New Vessel BV will sign a lease for 30 years for part of the water area in Royal Victoria Dock (this is called an underletting). Under the WML, underletting in excess of five years requires GLAP's written consent and this will be provided via a Licence to Underlet. The lease that RDW and Great New Vessel BV sign will include obligations on the maintenance of the vessel which are particularly important given the prominent location of the new hotel. GLAP will include these obligations in the Deed of Indemnity with Flotilla BV. The Licence to Underlet can be approved under a Routine Property Transaction form in line with existing delegations but it is referenced here for completeness and approval sought to enter into it.

2.4. Deed of Indemnity: the Section 106 Planning Agreement and the Lease place various obligations (both financial and performance) on Great New Vessel BV. As is common on such projects, Great New Vessel BV is a company established purely for the new hotel and does not currently have any other assets or sources of income. Therefore, in the event that Great New Vessel BV is unable to meet its obligations under either agreement, GLAP is seeking an indemnity from the parent company (Flotilla BV) to step in because Flotilla BV has a better financial strength than Great New Vessel BV. If Great New Vessel BV failed to meet its obligations, then the bank funding the project may seek to step in prior to GLAP having to enforce the Deed of Indemnity. This Decision seeks the Mayor's approval to enter into the Deed of Indemnity.

3. Equality comments

3.1. The proposed new Good Hotel vessel has the potential to impact on those with protected characteristics in two main ways (a) through the design of the vessel; (b) through the skills and employment opportunities that it will provide.

3.2. The design of the vessel and of the ancillary elements around it has been designed with a view to ensuring that it is accessible to all. The architects have presented their proposals to the LB Newham Design Review Panel and adapted their approach following comments. The detailed design, choice of materials, and final access approaches have been made the subject of conditions to the planning permission as is standard practice. It is expected therefore that the risk of negative impacts on those with protected characteristics has been mitigated appropriately.

3.3. The new hotel will provide skills and employment opportunities. The Good Hotel has a strong track record of offering training and mentoring opportunities to help local people to develop their skills and access new careers in hospitality. The investment in the new vessel will enable the Good Hotel to expand their existing programme. It is therefore expected that there are opportunities, in the diverse local community, for the project to have a positive impact on those with protected characteristics.

4. Other considerations

4.1. The project will support the wider Royal Docks Delivery Plan and the Royal Docks & Beckton Riverside Opportunity Area Planning Framework because it will be part of an expanding visitor economy. The hotel will provide more capacity for business and leisure tourism in London.

4.2. The project's skills and employment programme will also support the London Growth Plan by providing opportunities for Londoners to access new skills and training for new careers.

4.3. This activity forms part of the Building More Homes programme, because GLAP's primary purpose is the delivery of homes. This is supported indirectly by the boost to the Royal Docks area resulting from the delivery of this new hotel, and the funding it provides for RDW's business plan.

4.4. Two GLAP members of staff are also Directors of RDW so have not been involved in the drafting or clearing of this paper. There are no conflicts of interest for those involved in the production of this paper.

5. Financial comments

5.1. There are no direct financial commitments (capital or revenue expenditure) for GLAP arising from this decision. The financial obligations contained within the Section 106 Planning Agreement, estimated at £599,270 together with any contingent payments are the responsibility of Great New Vessel BV and are not expected to be funded by GLAP.

5.2. As Great New Vessel BV is a special purpose vehicle with limited standalone assets, the proposed Deed of Indemnity from Flotilla BV provides an important mitigation against the risk of non-performance and non-payment under both Section 106 Planning Agreement and the proposed lease arrangements.

5.3. The proposal also supports delivery of the Royal Docks Waterways Long Term Business Plan and is expected to contribute to the commercial sustainability of dock operations through increased activity and income generation.

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). These 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. 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 an equality of opportunity for all people
- consider how the proposals will promote the improvement of the health of persons, and the reduction of health inequalities between persons, living in Greater London; and contribute towards the achievement of sustainable development, and the mitigation of or adaptation to climate change, in the UK
- consult with appropriate bodies.

6.3. Sections 1-3 of this report indicate that the decision requested of the Mayor falls within the GLA's statutory powers.

7. Planned delivery approach and next steps

Activity	Timeline
Sign Section 106 Planning Agreement and Licence to Underlet	October
Satisfaction of planning conditions	Early 2027
Arrival of new vessel	Late 2027
Opening of new hotel	2027/2028

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

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

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: Paul Creed has drafted this report in accordance with GLA procedures and confirms the following:	✓
Sponsoring Director: Sarah Birt 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 the 19 October 2026.	

CHIEF FINANCE OFFICER:

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

Signature

Fay Hammond

Date

26 October 2026

CHIEF OF STAFF:

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

Signature

D. Bellamy

Date

26 October 2026