

REQUEST FOR MAYORAL DECISION – MD1374

Title: Carlsberg Tetley & Thames Wharf Review

Executive Summary:

GLA Land & Property (GLAP) owns a 1/3rd share in the Carlsberg Tetley site in the London Borough of Newham (5ha), with the other 2/3rd being owned by Quintain. GLAP also owns a 5ha area of land adjacent to the Carlsberg Tetley site, also known as Thames Wharf. The promotion of the Silvertown tunnel by Transport for London through the area is acting as a catalyst and will help define the future of the area. This therefore provides GLAP with a timely opportunity to carry out a detailed review of its current landholdings in the area.

This paper seeks funding for this review.

Decision:

That the Mayor approves:

1. The allocation of £200,000 of funding from savings made within the Land & Property portfolio for 2014-15 to support the proposed review.
2. That up to £125,000 of the funding is paid to Quintain for the delivery of the master planning and viability plan.
3. That £75,000 of the funding is used to fund the development of the delivery strategy.

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: 11 July 2014

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

Decision required – supporting report

1. Introduction and background

- 1.1 GLAP inherited a number of landholdings in the Thameside West area from the London Development Agency. These are let to a number of tenants and produce an income stream for GLAP.
- 1.2 The occupation and income stream from these holdings will be interrupted by the construction of the proposed Silvertown tunnel, which TfL is currently promoting.
- 1.3 This therefore provides GLAP with the opportunity to review the future use of this land. As the Carlsberg Tetley site is jointly owned by Quintain and GLAP it is proposed that this review is carried out in partnership.
- 1.4 The funding will be used to assess the potential options available to GLAP.

GLAP land ownership

- 1.5 GLAP owns the freehold of circa 5 ha (see Plan 1). The site is located at the north western end of Thameside West. This land is adjacent to the safeguarded Thames Wharf and is currently let to various Olympic park relocations operating as waste transfer and processing businesses on short leases.
- 1.6 Carlsberg Tetley (CT) – (about 5ha). GLAP has a 33% share in the land jointly owned with Quintain, held under the terms of a joint venture agreement with Quintain.
- 1.7 The rest of the Thameside West area is owned by a number of various landowners.

The key planning policies that impact the site are as follows:

- 1.8 **Strategic Industrial Location (SIL)** – The area falls within the SIL designation within the London Plan (Preferred Industrial Location), Newhams Core Strategy, and the Lower Lea Valley OAPF.
- 1.9 **Safeguarded Thames Wharf** – The Safeguarded Wharf Review March 2013 that the wharf is retained and GLAP & PLA work to encourage use. It also states that there is also the opportunity to consolidate wharfs in the area.
- 1.10 **TfL safeguarding for Silvertown Crossing** – Both Carlsberg Tetley & Thames Wharf are within the safeguarding zone (see Plan 3.), but TfL are under a best endeavours obligation to Quintain & GLA to rationalise the Silvertown Crossing Safeguarding. TfL are considering a tunnel option and the safeguarding will be reviewed to reflect the reduced land take that this will require. TfL are working on a study that will inform their application to Secretary of State to have their land take reduced.
- 1.11 **The London City Airport Safety Zone** – the safety zone runs through a small part of the site. This prohibits development or intensification of use; however it can be accommodated within any master plan for the area.

2. Objectives and expected outcomes

- 2.1 The review seeks to scope the potential future uses of the area, assess the viability and potential options available to GLAP as landowner moving forward.
- 2.2 The review will provide an analysis of options available, with associated recommendations. External consultants will be appointed to advise as appropriate.
- 2.3 The results and the output of the review will be reported back to the Housing and Investment Group (HIG) with options and recommendations. If any of these options are deemed acceptable a recommendation will be made to the Mayor for approval.

2.4 Recommendation(s)

- 2.5 That the allocation of £200,000 of funding for 14/15 to support the proposed project is approved.
- 2.6 That £125,000 + VAT be utilised to pay for half the cost of the masterplanning and viability study. This would be payable direct to Quintain, who have commissioned this work. GLAP would get the benefit of the results of this work.
- 2.7 That £75,000 + VAT be utilised to fund the development of a delivery strategy.

3. Equality comments

- 3.1 The public sector equality duty requires the identification and evaluation of the likely potential impacts, both positive and negative, of the decision on those with protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation).
- 3.2 The desktop nature of the work being carried out as part of this study will not have any impact either negative or positive on any of the equality groups covered, however any implementation of strategies proposed will take these responsibilities into account as part of the future assessment process.

4. Financial comments

The financial comments are held in the part 2 confidential section of this paper.

5. Legal comments

- 5.1 The foregoing sections of this report indicate that:
- 5.2 The decisions requested of the mayor relate to expenditure for the commissioning of services which fall within the Authority's statutory powers to do things facilitative of and conducive to its discharge of its duty to promote economic development and wealth creation and social development; and in formulating the proposals in respect of which a decision is sought officers have complied with the Authority's related statutory duties to:

- (a) pay due regard to the principle that there should be equality of opportunity for all people;

(b) consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and

(c) consult with appropriate bodies.

- 5.3 Section 4.1 of the Authority's Contracts and Funding Code ("Code") requires that contracts with values of this level be awarded following by call off from accessible frameworks or formal tender process . However, section 5 of the Code also provides that an exemption from this requirement may be justified where the proposed supplier has been involved in a specific current project or where continuation of existing work which cannot be separated from the new project/work. Quintain have commissioned the master planning and viability study and the GLAP would get the benefit of the results of this work if the GLA fund half the review. Therefore, the mayor may approve the proposed award and exemption if satisfied with the content of this report.
- 5.4 Officers must ensure that appropriate contract documentation is put in place and signed by the Authority and Quintain.
- 5.6 Officers must ensure that the expenditure incurred to fund the development of the delivery strategy is carried out in line with the Contracts Code.

6 Investment & Performance Board

- 6.1 This project went to the Housing Investment Group on the 7th May 2014 and the following recommendation was made:
- (a) That the allocation of £200,000 of funding for 2014/15 to support the proposed review be endorsed in principle; and
- (b) That, following the proposed review, an update on the findings be brought to a future meeting of the Housing Investment Group.

7 Planned delivery approach and next steps

Activity	Timeline
Seek Mayoral Decision to approve expenditure	June 2014
Appoint external consultants	June / July 2014
Receive outputs of work instructed	August 2014
Compile information and review	September 2014
Report back to HIG & Mayor	December 2014

Appendices and supporting papers:**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 approval or on the defer date.

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 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be 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:

Michael Payton has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision.

✓

Assistant Director/Head of Service:

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

✓

Sponsoring Director:

David Lunts has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Richard Blakeway has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date

CHIEF OF STAFF:

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

Signature

Date