

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD224

Title: Land Strip at Bugsby's Way, Millennium Way, Greenwich

Executive Summary:

This decision form requests approval to sell a small land strip at Bugsby's Way, Millennium Way, Greenwich to IKEA Properties and LXB PR Limited.

The land strip is currently an unused grass verge and serves no purpose to the GLA. It is proposed that the subject land would form part of the site of a new IKEA superstore. The sale will be subject to planning consent being obtained.

Decision:

The Assistant Director approves the sale of a land strip at Bugsby's way, Millennium Way, Greenwich for the sum of £28,200.

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

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: Simon Powell

Position: Assistant Director, Strategic Projects & Property

Signature:

Date: 8 September 2014

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

GLA Land and Property Limited (GLAP) own the small land strip at Bugsby's Way, Millennium Retail Park, Greenwich. It measures 1,142 square metres (sm) or 0.282 acres between the edge of the existing retail park and the back of the pavement. The land only serves as a grass verge and, if retained by GLAP would be an ongoing liability at a cost of approximately £2,000 per annum.

IKEA and LXB PR Limited have submitted a planning application to the Royal Borough of Greenwich proposing to demolish the existing Sainsbury's store and former Comet store on Millennium Retail Park and, redevelop the site into a 33,000 sqm IKEA superstore. LXB contacted the GLA to enquire about the purchase of the land strip as they wish to include it as part of a service yard within the stores demise.

The land would be of nominal value in the open market; however IKEA could be considered a special purchaser¹.

GVA have been advising GLAP and have negotiated the sale price of £28,200. This sale price has been recommended by GVA and full recommendation details are detailed in the attached email.

2. Objectives and expected outcomes

To approve the sale of the land strip owned by GLAP to IKEA Properties Investments and LXB PR Limited. This will assist the development of the IKEA superstore, provide a small amount of sales income and reduce the annual financial outgoings of GLAP.

3. Financial comments

- 3.1 This ADD seeks approval to dispose of a small land strip held at nominal value by GLAP. The land has been valued and the proposed disposal proceeds of £28,200 exceeds the unrestricted value of the land and therefore meets the requirements of best consideration.
- 3.2 There is no separate budget for legal or consultancy fees for this disposal. Therefore any such costs will need to be met from existing revenue budgets.

Appendices and supporting papers: None

¹ A particular buyer for whom a certain asset has special value because of advantages arising from its ownership that would not be available to general buyers in the market.

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

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 –NO

ORIGINATING OFFICER DECLARATION:

Drafting officer
to confirm the
following (✓)

Drafting officer:

Kay Rothon (Estates Surveyor) has drafted this report in accordance with GLA procedures and confirms that the Finance and Legal teams have commented on this proposal as required, and this decision reflects their comments.

✓

HEAD OF GOVERNANCE AND RESILIENCE:

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

Signature:

Date: