

## REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2375

### Title: Approval to fund a valuation of the Heythrop College Site

#### Executive Summary:

This decision is seeking approval to fund the appointment of a specialist valuation consultant to value the Heythrop College site in Kensington and undertake associated work that may arise in the course of a planning appeal.

The Local Planning Authority has been directed to refuse planning permission on this site under the powers within the Mayor of London Order (2008). The application is now subject to a planning appeal and is due to be heard by the Planning Inspectorate.

The valuation will inform the Mayor's case at the planning appeal. This is relevant to the assessment of development viability and the maximum reasonable level of affordable housing that can be supported.

#### Decision:

That the Assistant Director of Planning approves:

1. expenditure of up to £30,000 to fund:
  - a valuation of the Heythrop College site;
  - the undertaking of as yet undefined associated work that may arise through a planning appeal.
2. in respect of the above expenditure, a single source exemption from the GLA's Contracts and Funding Code, resulting in the commissioning of Carter Jonas LLP without a competitive procurement exercise. The Single Source Request Form has been submitted alongside this ADD.

#### AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT

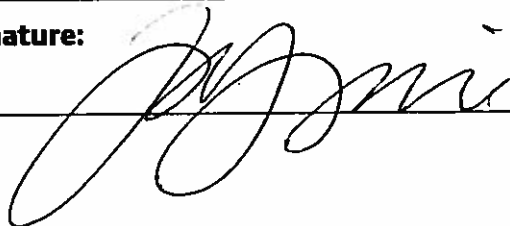
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

**Name:** Juliemma McLoughlin

**Position:** Assistant Director - Planning

**Signature:**



**Date:**

23-10-19

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

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

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

- 1.1. This decision seeks approval for the expenditure of up to £30,000 on a valuation of the Heythrop College site and the undertaking of as yet undefined associated work that may arise through a planning appeal. The further advice/input that may be required of the appointed consultant through the course of the appeal might include addressing rebuttals to the valuation or acting as an expert witness at the appeal hearing.
- 1.2. A planning application (GLA ref 4491a) was submitted to the Mayor of London who directed refusal for a number of reasons including inadequate affordable housing provision (only 5 of the residential 150 units will be provided as affordable housing).
- 1.3. The planning applicant has submitted an appeal to the Planning Inspectorate, against the refusal. The valuation will inform the evidence to be submitted to the Planning Inspectorate as part of the Mayor's Statement of Case.
- 1.4. The use of the site as an education facility means that this is a specialist area of valuation requiring knowledge of transactions of education facilities and is not able to be carried out in-house. The Contractor appointed, Carter Jonas, were done so on a single-source basis because they are the only organisation identified that are willing to undertake the work.
- 1.5. No previous approvals relate to this matter.

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

- 2.1. Objective: To receive a valuation of the Heythrop College Site and further advice/input that may be required of the appointed consultant through the course of the appeal.
- 2.2. Expected outcomes: To receive a valuation report (by Friday 18 October) providing a value for the site to inform the Mayor's evidence. If relevant, to receive associated advice/input to defend the Mayor's position at a planning appeal.

#### **3. Equality comments**

- 3.1. The impacts of this decision on the GLA's statutory equality duty under the 2010 Equality Act have been considered.
- 3.2. The valuation relating to this decision will inform the Mayor's assessment of development viability and evidence regarding the level of affordable housing that can be supported. This is in line with the Mayor's policies within the draft London Plan and Affordable Housing and Viability Supplementary Planning Guidance which seek to maximise the provision of genuinely affordable homes for Londoners. Consequently, there are no negative equality impacts in carrying out this work and there are positive impacts on groups with protected characteristics in need of affordable housing.

#### 4. Other considerations

4.1. No significant risks arise from this approval. Potential risks are identified in the table below:

Risk description	Inherent score	Mitigation	Target score
The work is not carried out in time.	Likelihood: 2 Impact: 3 Total: 6	<ul style="list-style-type: none"><li>The Standard Contract for Services provides assurance that work will be carried out in time.</li><li>Regular project updates are being sought through the duration of the project.</li></ul>	Likelihood: 1 Impact: 2 Total: 2
The budget for the work is exceeded.	Likelihood: 2 Impact: 2 Total: 4	<ul style="list-style-type: none"><li>The scope of the work and fees are agreed in writing and are crystallised in the Standard Contract.</li></ul>	Likelihood: 1 Impact: 2 Total: 2
The work is not of sufficient quality.	Likelihood: 2 Impact: 3 Total: 6	<ul style="list-style-type: none"><li>The scope of the work is agreed and are crystallised in the Standard Contract.</li><li>Regular project updates are being sought through the duration of the project.</li></ul>	Likelihood: 1 Impact: 2 Total: 2

4.2. Links to Mayoral Strategies and Priorities:

- Affordable Housing & Viability Supplementary Planning Guidance:** This document sets out the Mayor's approach to securing affordable housing through the planning system and assessing development viability. The work being commissioned will help ensure that development on this site will provide an appropriate level of genuinely affordable housing.
- The Draft London Plan:** This sets out the requirement to secure provision of genuinely affordable housing on development through the planning system and for schemes to be viability tested where the relevant 'threshold level' of affordable housing is not being provided (see Policy H6).

4.3. No consultations or impact assessments are required to inform this decision.

4.4. A single source exemption from the GLA's Contracts and Funding Code has been sought. In summary, this is because:

##### *An absence of competition*

- The advice is specialist because it requires the valuer to have specialist knowledge of transactions of education facilities, meaning that there is a limited supply of potential parties to appoint.
- A tendering exercise where three organisations were approached was previously carried out (from 13<sup>th</sup> June 2019) and the GLA received no quotes in response to the Invitation to Tender.
- Following this tender exercise, a period of time elapsed before a number of further organisations were approached to request whether they would be willing to carry out the work. Only Carter Jonas LLP confirmed they would be able to carry out the work.
- It should also be noted that five further organisations were identified as having a conflict of interest, so weren't approached with respect to the commission.

##### *Timescales*

- After the tendering exercise referred to above was carried out, the Planning Inspectorate, on the 3 September 2019, informed the GLA's Planning Team of the appeal dates/deadlines with respect to submission of evidence for the planning appeal. The Mayor's evidence needed to be submitted on the 22 October 2019, meaning the advice was required to be provided expeditiously.

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

## **5. Financial comments**

- 5.1. Approval is sought for expenditure of up to £30,000 to fund the valuation of the Heythrop College site and associated costs.
- 5.2. The expenditure will be funded from the Planning Smoothing Reserve.

## **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 which he considers will further one or more of the principal purposes of the GLA. The principal purposes, as set out in section 30(2), of the GLA Act are:
- i. promoting economic development and wealth creation in Greater London;
  - ii. promoting social development in Greater London; and
  - iii. 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 that they have complied with GLA's related statutory duties to:
- iv. pay due regard to the principle that there should be equality of opportunity for all people;
  - v. 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
  - vi. consider consulting with appropriate bodies.
- 6.3. Section 34 of the GLA Act, which allows the Mayor to do anything which is calculated to facilitate or is conducive or incidental to the exercise of any of his functions, and the Mayor's powers under section 38 of the GLA Act to delegate to any member of staff functions of the GLA that are exercisable by him, and the foregoing sections of this form indicate that the decision requested falls within the above statutory powers of the GLA exercisable by the Executive Director – Development, Enterprise & Environment.

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

<b>Activity</b>	<b>Timeline (deadline)</b>
Procurement of contract	09.09.2019
Delivery start date	09.09.2019
Provision of first draft of valuation.	08.10.2019
Internal review of draft valuation	10.10.2019
Delivery End Date	18.10.2019
Project Closure	28.02.2020 (this takes into account unforeseen work that could fall under this contract which may arise from the appeal process which is likely to continue into 2020).

**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? Yes**

If YES, for what reason:

Given approval is being sought for the allocation of funding to some matters for which the scope cannot be fully defined, disclosure of the total budget available for the services may impede cost management and value for money.

Until what date: 31 October 2019

**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:**

Joseph Ward has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Corporate Investment Board**

This decision was agreed by the Corporate Investment Board on 21 October 2019.

**ASSISTANT DIRECTOR OF FINANCE AND GOVERNANCE:**

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

**Signature**



**Date**

23-10-19

