

GREATER LONDON AUTHORITY

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2491

Title: Britannia Village Hall Redevelopment

Executive Summary:

Britannia Village Hall (BVH) is a community hall located in the Royal Docks in the London Borough of Newham. GLA Land & Property Limited (GLAP) own the freehold of Britannia Village Hall which is long leased to the West Silvertown Community Foundation (WSCF); a charity which runs the community facilities in the area over multiple sites.

WSCF would like to redevelop the village hall which is in need of significant repair and does not adequately cater for the evolving needs of the area. WSCF intend to deliver improved and new community facilities alongside community led housing on the site.

This decision form proposes that GLAP release £50,000 of budget to cover GLAP's legal and commercial fees associated with any required amendments to the lease to facilitate the development. GLAP will recover these costs if any development profit is made to achieve a net nil financial position. A further decision will be required to amend the lease following work on the development brief.

Decision:

That the Assistant Director of Strategic Projects and Property, Housing & Land approves:

Expenditure of up to £50,000 towards professional fees by GLA Land & Property for legal and commercial support to enable the redevelopment of Britannia Village Hall.

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 and Property, Housing & Land

Signature:



Date:

16 February 2021

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. Britannia Village Hall (BVH) is a community hall with a nursery in the Royal Docks in the London Borough of Newham. The hall sits within the centre of a low-rise 1990's housing development and next to a neighbouring primary school and village green. Britannia Village is a predominantly residential area in the Royal Docks comprised of affordable and market sale housing including social housing owned by Peabody and (subject to confirmation) L&Q.
- 1.2. GLA Land & Property (GLAP) own the freehold of BVH which has been leased to West Silvertown Community Foundation (WSCF). This lease was granted in 1995 for 200 years; at this stage there are therefore 174 years left on this lease. The village hall is in a poor state of repair. WSCF must either upgrade or refurbish the hall to enable better use of community facilities.
- 1.3. In 2017, WSCF carried out a feasibility study to test the viability of two development options for the site which were either; a) comprehensively redevelop the site including a car park and outdoor playground located either side of the building to delivery housing and new community facilities; or b) redevelop the adjacent playground as a smaller housing development to fund the refurbishment of the existing hall. Although this exercise proposed that either option was viable, no action was taken.
- 1.4. Since 2017, WSCF have approached GLAP to explore the option of comprehensively redeveloping the site. The previous feasibility study is however outdated due to significant changes in the development brief alongside planning policy changes. Most significantly, new neighbouring developments including schools which open their sports halls to the local community during the evenings have displaced the need for specific elements of the community hall.
- 1.5. In 2020, WSCF appointed Igloo as Development Managers to provide support in developing a new brief that will be community led for both housing and non-housing elements. This will include community consultation and co-design. WSCF are also consulting with the community on the specific housing needs including potential co-housing for local workers. WSCF are supported by the London Community Hub to carry out this work and have a small grant to support them through early brief and design development. WSCF have also appointed Mole architects who previously designed Marmalade Lane, a co-designed housing project in Cambridge.
- 1.6. Whilst WSCF have some funding, this will not cover GLAP's professional costs to agree alterations to the GLAP lease which are required to enable the development. This decision form proposes to use GLAP budget to cover GLAP's professional costs which will include commercial and legal advice to agree variations to the lease where required.
- 1.7. Following this work, officers will seek further approval to amend the lease where required. Following the finalisation of the development brief and early design work, if a surplus profit is generated GLAP will seek to recoup the costs.

2. Objectives and expected outcomes

Placemaking and Regeneration Benefit

- 2.1. Britannia Village Hall is currently under-utilised and dilapidated, though it remains an important and valued local amenity in the area. WSCF's plans would maximise the potential to improve community facilities which would have a range of positive social benefits. Whilst plans are not finalised, WSCF are carrying out a community consultation programme in early 2021 which will allow members of the local community to collectively inform what the new facilities should be. This approach is supported and should result in a proposal which meets the requirements of local people.

- 2.2. The village hall site is located in the centre of Britannia Village where a number of locally significant amenities are located including a school and village green. The upgraded village hall will have a wider placemaking benefit due to its close relationship with adjoining public uses. The improved building with community uses should raise the profile of the area locally and generate more footfall and better use of the village green and surrounding public spaces.

Overall Costs

- 2.3. The activities anticipated are set out below. Professional advice will be procured from TfL frameworks. It should be noted that GLAP will pay VAT on these costs.

<u>Activity</u>	<u>Cost</u>
Commercial work	£10,000
Legal work	£30,000
Allowance for VAT	£10,000
Total	£50,000

3. Equality comments

- 3.1. Under Section 149 of the Equality Act 2010, as a public authority, the GLA must have 'due regard' of the need to:
- eliminate unlawful discrimination, harassment and victimisation; and
 - advance equality of opportunity and foster good relations between people who have a protected characteristic in respect to racial background, disability, age, religious beliefs or gender, and those who do not.
- 3.2. 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 communicate what is happening across the Royal Docks effectively, considering the substantial investment to regenerate the area for the benefit of all communities. WSCF is a local charity with a strong link to the local area and are therefore an appropriate organisation to enable a community led development of this kind. GLAP and the Royal Docks Team will support and advise WSCF where appropriate to ensure that the diversity of the area is reflected in the consultation process.

4. Other considerations

Key Risks

- 4.1. Whilst the early design process has not begun, GLAP have been advised that it is likely that WSCF will seek to provide high levels of affordable housing on this site due to local demand. Whilst GLAP will seek to recoup its professional costs, there is a risk that due to the quantum of affordable housing in the development brief, that the likelihood for an uplift in residual land value is low. In this scenario, GLAP would not be able to recoup its costs.
- 4.2. Officers will work with commercial advisors to ensure that a fair approach is taken to reviewing WSCF's proposals. Affordable housing is a Mayoral priority and therefore is supported by GLAP, therefore GLAP must balance this benefit against recouping the professional costs expenditure in this decision.
- 4.3. A further decision will be taken upon Heads of Terms agreement of the lease amendments, which will include any commercial arrangements. At this stage, GLAP will be able to decide the commercial approach to be taken.

Mayoral Strategies

- 4.4. The project is aligned with GLA objectives including the Community Led Housing Programme and affordable housing provision. The updated local facilities will be tailored to meet local need and will align with the Mayor's Good Growth objectives which include optimising sites for mixed-use programmes and providing spaces for public activity in an inclusive way. The Good Growth objectives will manifest in the design of the development.

Conflicts of Interest

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

5. Financial comments

- 5.1. This decision requests approval of up to £50,000 expenditure to be incurred in 2021/22 to fund professional fees for legal and commercial support to enable the redevelopment of Britannia Village Hall.
- 5.2. This expenditure will be funded by GLA Land & property.

6. Planned delivery approach and next steps

Activity	Timeline
Project work	February 2021 – July 2021
Final development brief confirmed	July 2021
Leasing agreements confirmed	Summer 2021

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.

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 – YES/NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Jennifer Gutteridge 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 15 February 2021.

ASSISTANT DIRECTOR OF FINANCIAL SERVICES:

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

Signature



Date

16 February 2021