

PART 2 – CONFIDENTIAL FACTS AND ADVICE

MD2228

Title: **Transfer of land to Transport for London for Crossrail supporting infrastructure**

Information may have to be disclosed in the event of a request under the Freedom of Information Act 2000. In the event of a request for confidential facts and advice, please consult the Information Governance team for advice.

This information is not for publication until the stated date, because:

The information contained in this part of the report contains confidential commercially sensitive information relating to land value. Disclosure of this information could potentially result in significant material harm to the public sector's ability to secure commercial terms representing best value. This outweighs the public interests in releasing the information now.

Date at which Part 2 will cease to be confidential or when confidentiality should be reviewed: 01/01/19

Legal recommendation on the grounds of keeping the information confidential:

The information in this Part 2 is information the disclosure of which would be likely to prejudice the commercial interests of GLAP. It is therefore covered by Section 43(2) (commercial interests) of the Freedom of Information Act 2000.

Legal Adviser - I make the above recommendations that this information should be considered confidential at this time

Title: Principal Solicitor | Property and Planning Team

Date: 18 January 2018

Once this form is fully authorised, it should be circulated with Part 1.

Confidential decision and/or advice:

1. Land to be transferred to Transport for London

- 1.1 Please see Appendix 1. All the freehold land, shown for indicative purposes only, edged red on plan to be transferred to Transport for London. This plan is indicative and may vary slightly when the transfer is drafted.

2. Pump House Land

- 2.1 The land for the Pump House will be transferred for £0.

- 2.2 In 2009 the LDA entered into an agreement (Deed of release 22/04/09) with the Secretary of State for Transport to transfer the pump house to the Secretary of State for Transport (subsequently inherited under statute by Crossrail) in return for removal of the obligation to maintain and dewater the Connaught Tunnel.
- 2.3 In 2011 under a separate deed of release (13/07/11) the obligations of the LDA were lifted but the transfer never occurred.
- 2.4 The LDA were able to dispose at £0 using the General Consent it had in place which allowed disposals at less than best consideration up to £2,000,000.
- 2.5 GLAP, as statutory successor of LDA under the Greater London Authority and London Development Agency Transfer Scheme 2012, is bound by the terms of the Deed of Release.

3. Rights to be granted

- 3.1 The rights to be granted in addition to the transfer of the freehold land include:
- Access over retained GLAP land to allow maintenance of the facility.
 - Rights to run, maintain and replace various conduits and drainage runs.
 - A new easement to UKPN to allow the powering of the facility
- 3.2 Appendix 2 shows, for indicative purposes only, the easement land shaded green and, as annotated, the various conduits and drainage pipes for which rights are to be granted for access and servicing rights.

4. Compensation Calculation & Justification

- 4.1 The compensation payable by Transport for London (Crossrail) to GLAP totals £200,000 (two hundred thousand pounds) excluding GLAP's reasonable fees and costs to facilitate the land transfer and to be agreed, under the compensation code following completion of the land transfer.
- 4.2 The basis of the payment has been agreed within the statutory framework known as the compensation code. As such, GLAP are entitled to claim compensation equivalent to the open market value of the freehold land acquired by Transport for London. In addition, GLAP have also claimed compensation for the easements and rights acquired across its retained freehold interest to facilitate the installation of cables, conduits and pipes as well as temporary possession of land (equivalent to a rental payment).
- 4.3 Under the Compensation Code, a payment is also to be made for disturbance but, in the case of GLAP is limited to reimbursement of fees as GLAP are not in physical occupation of the land at Connaught Tunnel and a statutory payment called a "Basic Loss Payment". The figures agreed for these various items of claim are set out in the summary valuation below.
- 4.4 At Appendix 4 is the independent surveyor approval of the agreed compensation payable by Crossrail to GLAP.

Valuation Summary

Value of freehold land acquired	£163,457.30
Temporary Occupation of land	£15,103.91
Basic Loss Payment	£12,259.30
TOTAL	£190,820.51

Say **£200,000** to take account of easements and wayleaves required.

5. Financial comments

- 5.1 The paper is seeking approval for the partial disposal of land at Royal Docks Waterways and the granting of access rights over GLAP's remaining land, as the result of a Compulsory Purchase Order (CPO), secured by Transport for London on behalf of Crossrail.
- 5.2 The transaction will be a freehold disposal. GLAP has been offered a consideration of £200,000 for the disposal. An independent valuation of the site, 10th January 2018, reported that the price offered was a fair value for the site. The site will be transferred directly to Transport for London with the existing long leases still in place.
- 5.3 GLAP has opted to tax and therefore VAT will be chargeable on the sale of the site. Corporation tax will be charged on profits arising from the disposal.

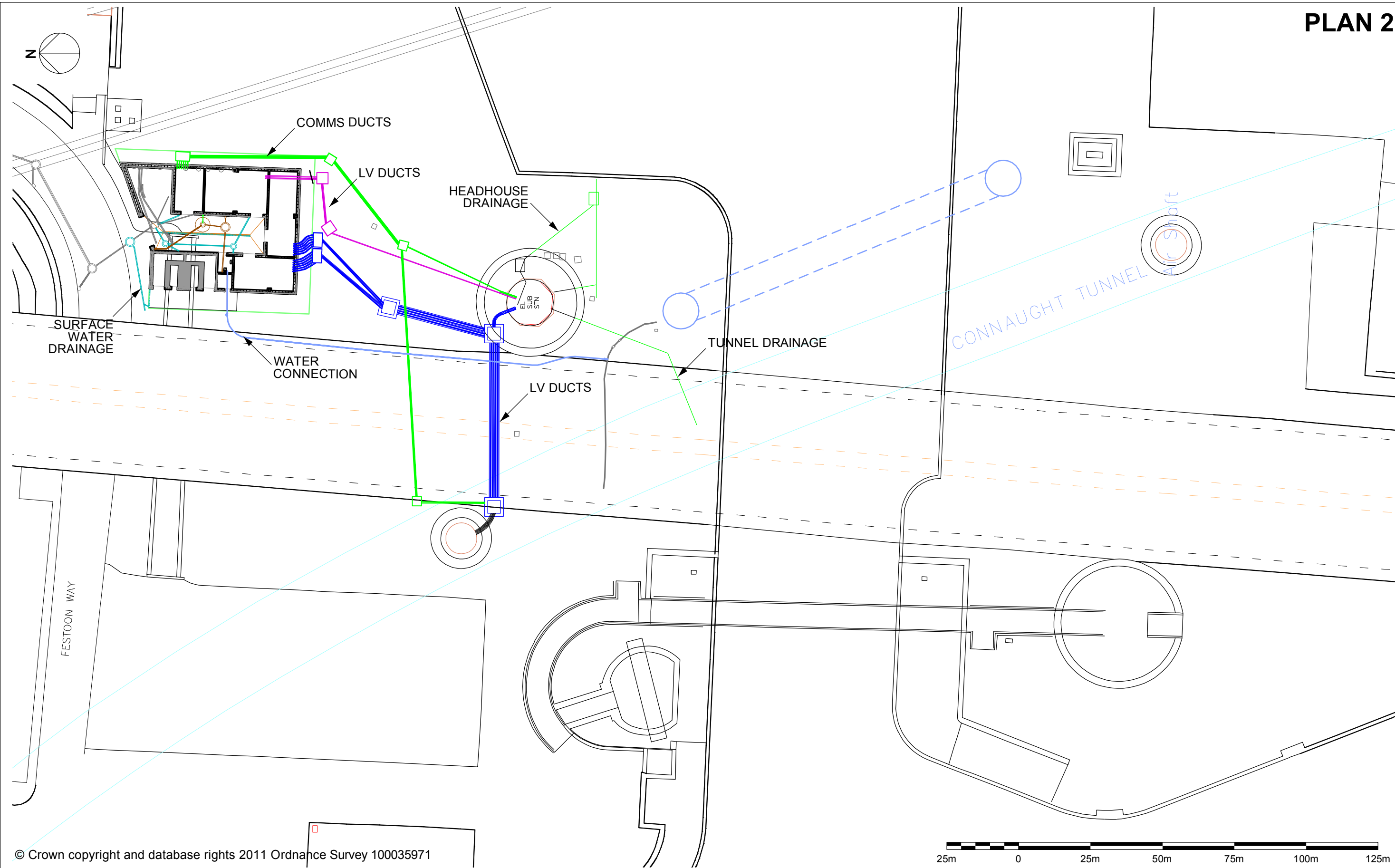
Appendices

Appendix 1 – Indicative Plan 1 showing land to be transferred

Appendix 2 – Indicative plans (Plans 2 &3) showing easements to be granted to TFL

Appendix 3 – Indicative plans showing rights to be granted to UKPN

Appendix 4 – Montague Evans advice on value.



P01.1	06/12/2017	A - 23/8/2007	KB				
P02		Minor Detail Amendments	EN	WD	SB		
P03	10/10/2017	Combined Services added	PL	SA	PT		
Rev.	Date	Description	By	Chkd	App	Auth	

Notes:



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Crossrail Limited
25 Canada Square
Canary Wharf
London
E14 5LQ

www.crossrail.co.uk

Scale : 1:500 @ A3

Contract : Crossrail Line 1 Programme

Originator : Crossrail Technical

Location : Connaught Tunnel Worksites

Title : Connaught Tunnel
Pump House

Drg No : CRL1-XRL-T2-DDA-CR146_WS158-00002

Rev : P03

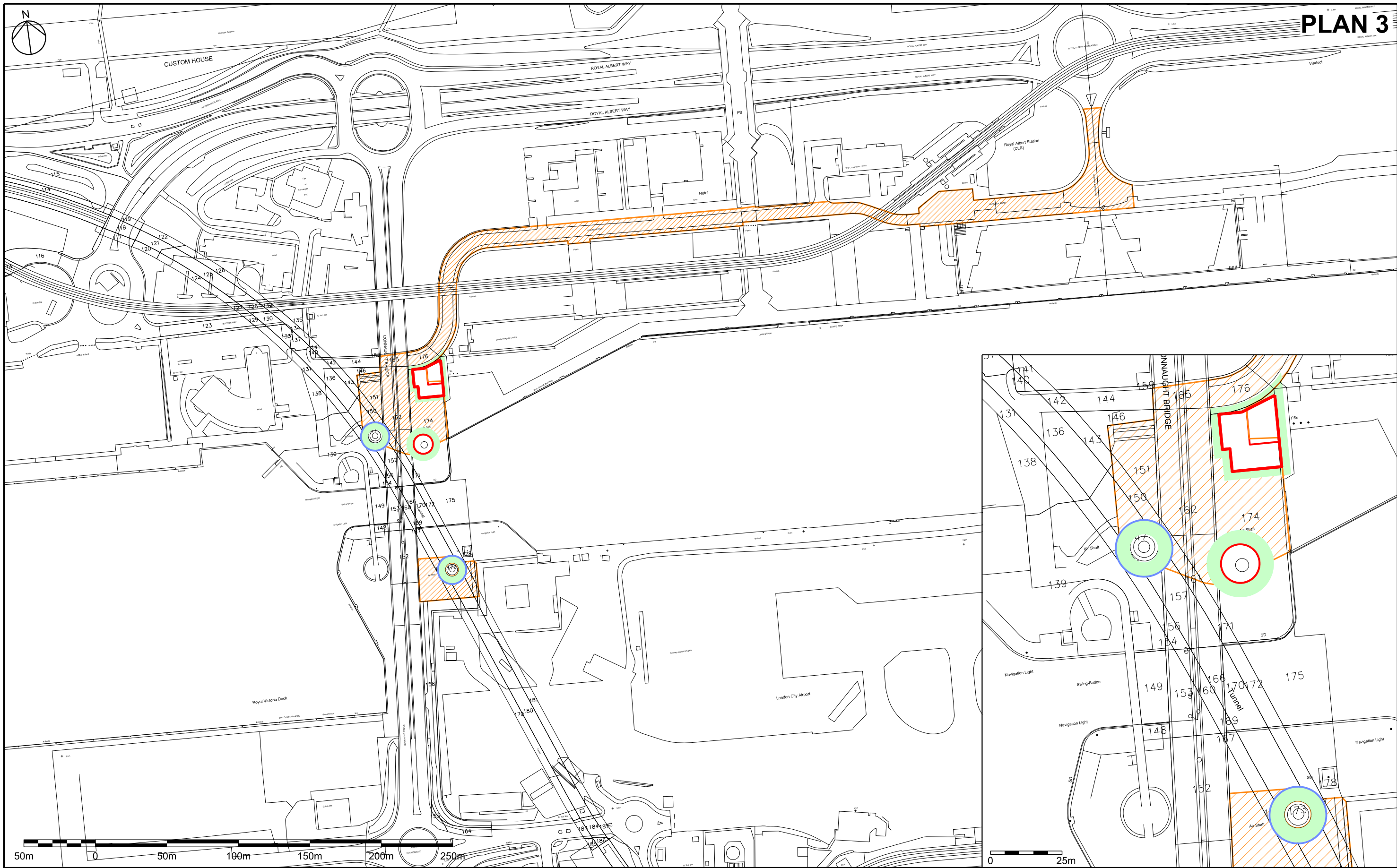
Suit : S4

Auth : ---




By : P. LLUNA

Chk : S. ARNOLD

App : P. TURNER



P01	05/10/2017	First Issue	EN	JP	AA	-	
P02.1		Access routes amended	-	-	-	-	
Rev.	Date	Description	By	Chkd	App	Auth	

Notes:	
KEY:	
	Access and Maintenance Zone
	Structure Boundary
	Access Routes



Crossrail Limited

25 Canada Square

Canary Wharf

London

E14 5LQ

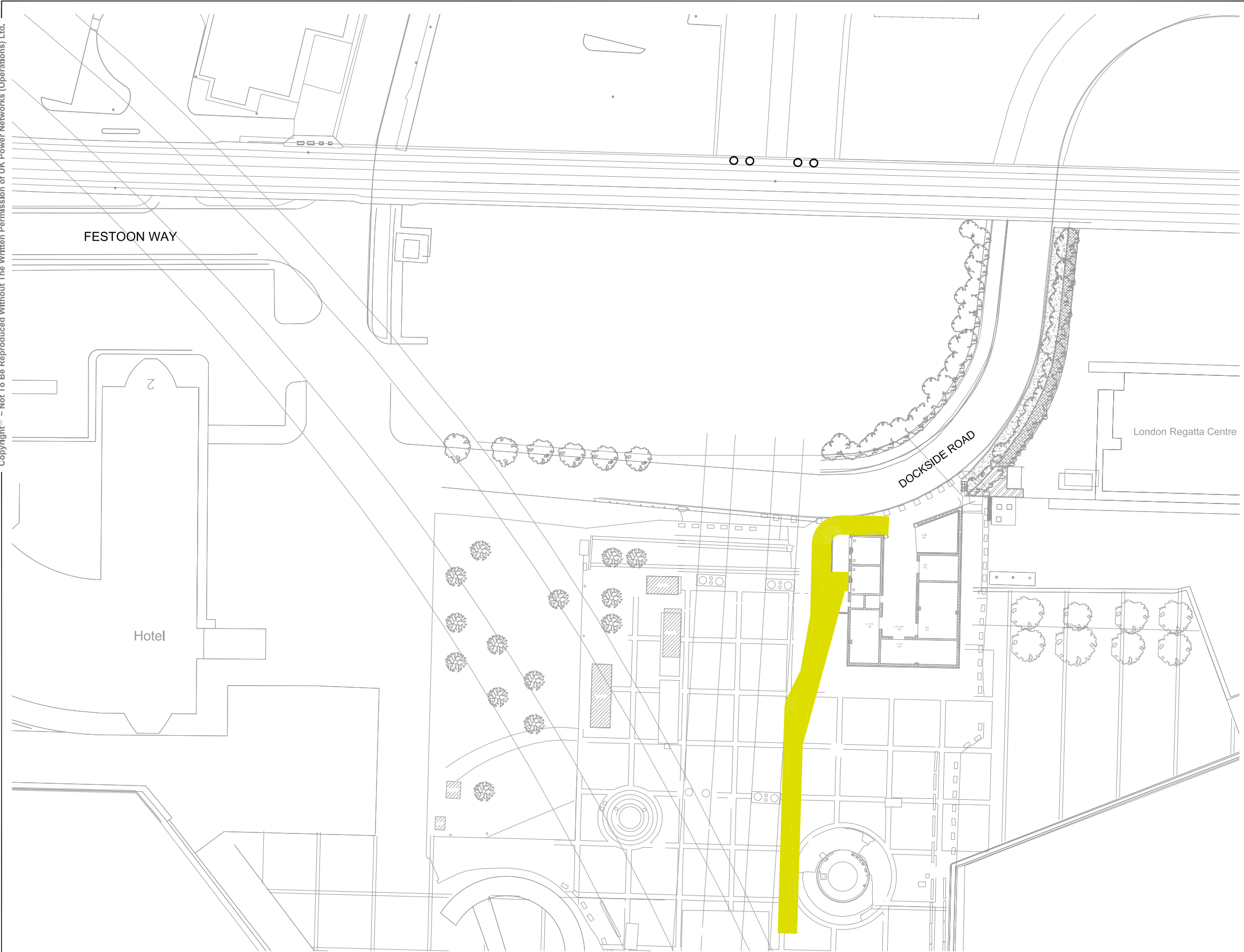
www.crossrail.co.uk

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Scale : 1:2500 @ A3

Contract : Crossrail Line 1 Programme	By : ---
Originator : Crossrail Ltd	Chk : ---
Location : Tunnels General	App : ---
Title : CONNAUGHT TUNNEL PUMP HOUSE ACCESS	Auth : ---
Drg No : CRL1-XRL-T2-DDA-CRG01-00148	Rev : P02.1
Suit : S0	

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Key.

Easement Route



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Plot Stamp -

Drawing Number

8600005353 E

Rev

1



1	Easement revised/ site plan updated	P Hobbs	20/12/17
Rev	Description	Revised By	Date

Issued For Information Only

UK Power Networks

Substation Design Team

Metropolitan Hse, 3 Darkes Lane, Potters Bar, EN6 1AG.

Title

Easement at:

'Connaught Head House', Dockside Rpad,

London E16 1RH.

Date Drawn	Scale @ A3	Project Designer
08/08/17	1:625	I.Nyamapfene
Drawn By	Building Officer	
A.Hill	-	

Drawing Number

8600005353 E

Rev

1

Key.

Substation/ HV Switchroom.

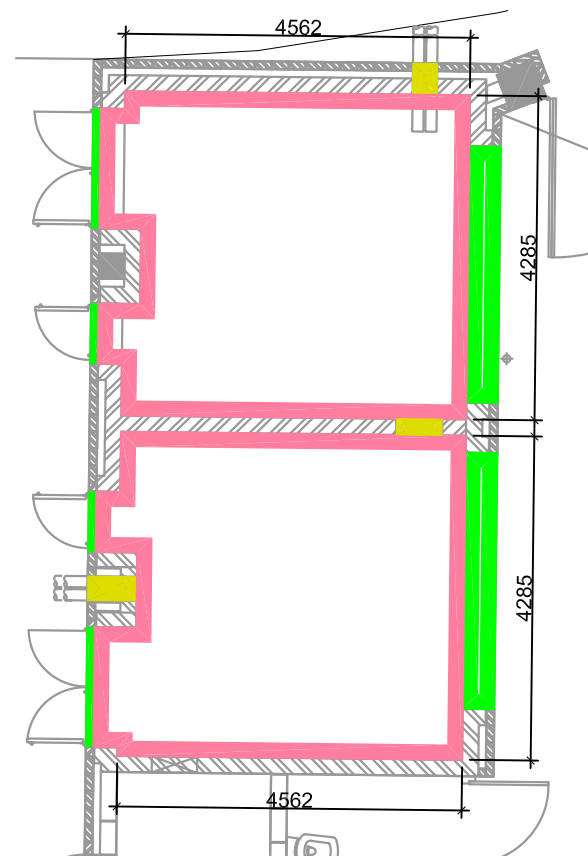
Access for Cables.

24 Hour Access for Men, Materials and Cables.

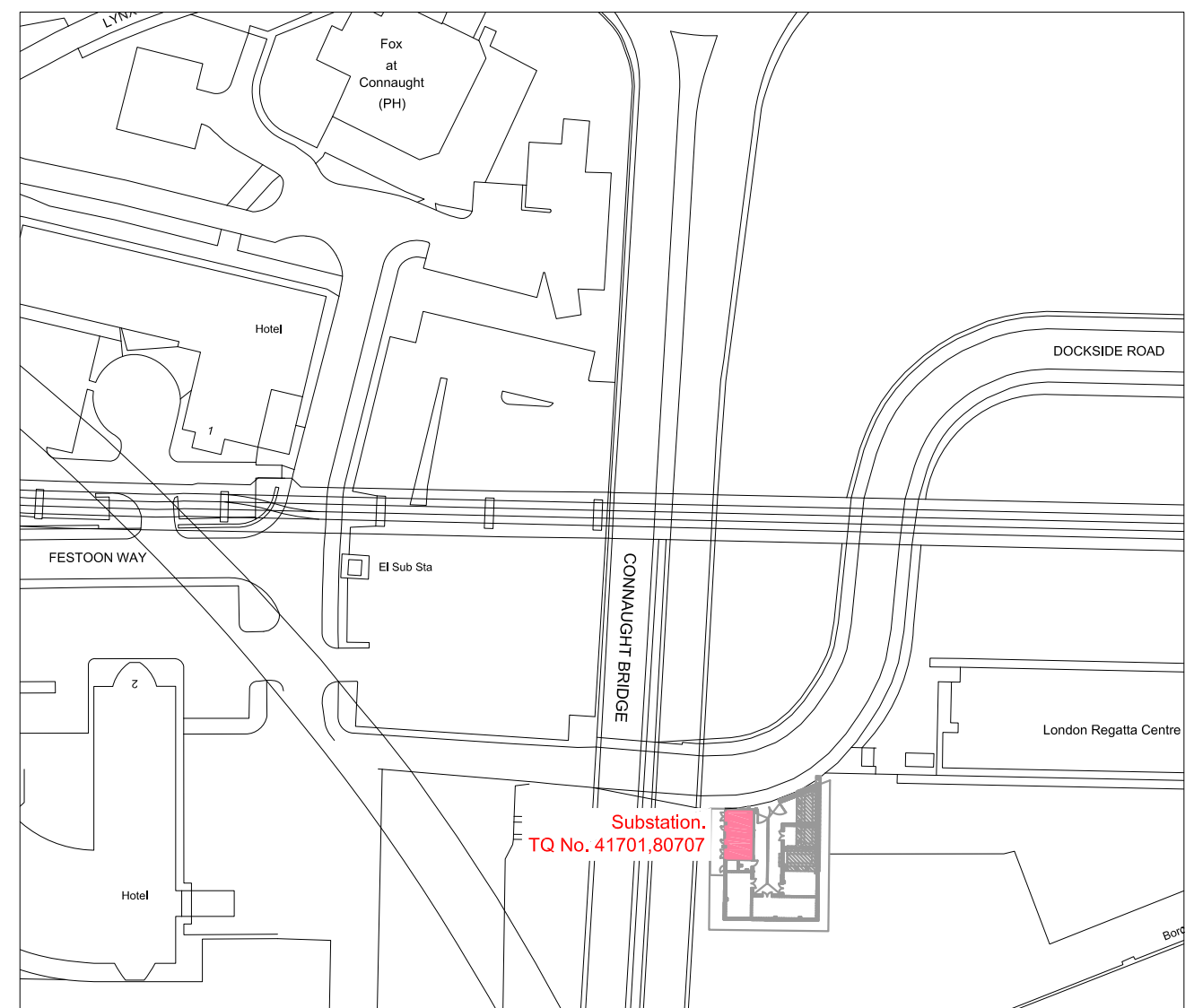
Ventilation.



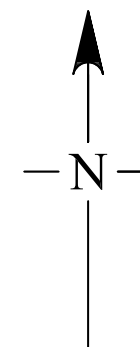
Any locked gates/doors on entrance to be fitted with a dual locking arrangement for UK Power Networks 24-hour unrestricted plant access.



Substation Plan ~ Scale 1:100



Location Plan ~ Scale 1:1250



1	Access revised	P Hobbs	20/12/17
Rev	Description	Revised By	Date

Issued For Information Only



Substation Design Team
Metropolitan Hse, 3 Darkes Lane, Potters Bar, EN6 1AG.

Title		
Substation at: Dockside Road, Connaught Head House, London E16 1RH		
Date Drawn	Scale @ A3	
31/03/17	As shown @ A3	
Drawn By	Building Officer	Project Designer
P Hobbs	Phil Warr	Irvine Nyamapfene
Drawing Number	Rev	

Substation Access Plan ~ Scale 1:200

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ST/WJ/VNF

email: SR.Thomas@montagu-evans.co.uk

10 January 2018

Housing & Land Directorate
Greater London Authority
3rd Floor, City Hall
The Queens Walk
London
SE1 2AA

For the attention of Michael Payton Esq.

Dear Simon

Connaught Bridge MV

I write in connection to Crossrail's proposed acquisition of the GLA land at the above site and our previous valuation advice dated 5th May 2017.

Since our previous valuation was prepared, Crossrail's land requirements have changed and, consequently, so has the structure of the transaction and the agreed price. In this regard we have been provided with updated plans which shows the boundaries and site areas of the land that is required by Crossrail, together with a summary of the new structure of the transaction and the worked calculations to determine price. Based on these calculations, a total consideration of £200,000 has been agreed between the parties.

Having regard to our previous advice, I can confirm that the proposed new price and structure of the transaction appears to offer fair value to the GLA, which is in fact receiving a better level of compensation for its unencumbered freehold land and the encumbered land which is subject to long leasehold interests to RODMA and RADT.

In light of the above, from a valuation perspective, we would support a disposal of the land on the agreed terms and pricing level of £200,000.

Yours sincerely



Steve Thomas
Partner
Montagu Evans LLP