

GREATER LONDON AUTHORITY

REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD7

Title: Car parking for essential operational Union Street staff

Executive Summary:

The sale of Southwark Training Centre (STC), expected to complete in September 2018, will result in the reduction of car parking spaces for London Fire Commissioner (LFC) officers based at Union Street. The Commissioner requires parking facilities as close as is possible to its headquarters at Union Street: this is to ensure that operational staff are able to attend incidents throughout London in a timely manner, with the appropriate equipment as a critical part of their operational duties.

Officers have carried out a review of the existing parking provisions, making recommendations for more efficient arrangements. These allow for the development of a new lease for car parking provision from 2020 to secure the necessary facilities, but which also reduces the overall number of parking spaces available.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for the London Fire Commissioner to seek prior consent from the Deputy Mayor for Fire before '*[a] commitment to expenditure (capital or revenue) of £150,000 or above...*'.

This decision seeks prior approval of the Deputy Mayor for the London Fire Commissioner to enter into a five-year lease with Galliard Homes at a cost of £155,508.

Decision:

The Deputy Mayor for Fire and Resilience gives consent to the London Fire Commissioner to:

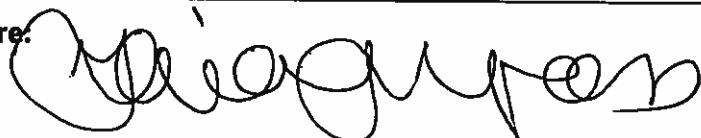
Enter into a new five-year lease with Galliard Homes from 2020 at a cost of £155,508.

Deputy Mayor for Fire and Resilience

I confirm that I do not have any disclosable pecuniary interests in the proposed decision.

The above request has my approval.

Signature:



Date:

13/08/18

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

Decision required – supporting report

1. Introduction and background

- 1.1. Currently there are 120 car parking spaces available for London Fire Commissioner (LFC) staff at Union Street. The existing car parking capacities, lease arrangements and associated costs are:
- Galliard Homes – provides 28 parking spaces. The current lease expires April 2020 with a mutual annual break clause after 12 months and on the anniversary of the lease. The rental is £30k per annum.
 - Sawyer Street – provides 40 car parking spaces, six of which are electric vehicle charging facilities, and 10 motorcycle spaces. The present lease is for 200 years (from 1996) for the sole use of London Fire Brigade while the Grotto was used for training purposes. The rent is a peppercorn.
 - Ewer Street – provides 17 parking spaces. These car parking spaces are incorporated into the lease of Union Street Offices and will cease with the expiry of the building lease in 2027.
 - Southwark Training Centre and Winchester House – provides 35 car parking spaces, cycle storage for 30 bicycles and 10 motorcycles. The freehold is currently owned by the LFC.
- 1.2. LFC officers considered ending the current lease arrangements with Galliard Homes and entering in to a new arrangement now in order to remove the early break clause. However, following advice from property advisors Dron & Wright (D&W), it was recommended that the LFC should continue with the current lease arrangement until it ends on 30 April 2020 on existing terms and costs. This recommendation is based upon the fact that the LFC has, as part of the existing arrangement, paid Stamp Duty Land Tax to April 2020 on this site and if a new lease was entered into they would be paying Stamp Duty twice for the same initial two-year period.
- 1.3. When D&W approached Galliard Homes, they offered a new revisionary lease agreement. A revisionary lease is one entered into by both parties now, with a term date that only commences once the existing lease expires in April 2020. This arrangement uses the terms and conditions of the current lease, subject to minor changes, which includes removal of the annual break clause. They have offered a five-year lease, which will continue at the current cost of £30kpa for the first two years, then increase in line with the Retail Price Index thereafter. In order to secure this proposition, they require agreement now.
- 1.4. The new lease agreement with Galliard Homes will remove the annual break clause and secure LFC parking until April 2025. The lease will end two years before the current lease at Union Street which expires in 2027 and has resulted in preferential terms set out in the table below. Officers will carry out a review into the car parking provisions for staff based at Union Street in 2020.

Predicted cost over the term of the lease					
	Year 1 2020/21	Year 2 21/22	Year 3 22/23	Year 4 23/24	Year 5 24/25
Costs	30,000	30,000			
Predicted costs including RPI @ 3%			30,900	31,827	32,781
Total £					155,508

2. Objectives and expected outcomes

- 2.1. This Decision ensures that the London Fire Brigade officers are able to continue to access necessary facilities beyond 2020, with the security of tenure and expenditure required. The Decision is also a key

enabler for the sale of Southwark Training Centre and Fire Station, which is contributing to the Mayor's aims for affordable housing in London.

3. Equality comments

- 3.1. The Public Sector Equality Duty – and the potential impacts of this decision on those with protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation) – has been considered by the London Fire Commissioner and the Deputy Mayor for Fire and Resilience. No impacts have been identified.

4. Other considerations

- 4.1. The LFC has examined alternative potential car parking sites close to Union Street. Currently only one site is available to lease in the railway arches near Walden's Grove, SE1. This site consists of seven arches, each with the potential to accommodate 15 car spaces. The rental cost is circa £200,000 per annum inclusive of rates and service charges, with an average cost per parking space £4,450 per annum.
- 4.2. This option is available but is not recommended due to cost per space compared with the cost of renting spaces at Galliard Homes.

5. Financial comments

- 5.1. The expenditure is to be funded through sums available to the Commissioner. There are no direct financial implications for the GLA.

6. Legal comments

- 6.1. Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- 6.2. By direction dated 1 April 2018, the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor").
- 6.3. Paragraph (b) of Part 2 of the said direction requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...".
- 6.4. This decision seeks the Deputy Mayor's approval for the Commissioner to enter into a new five-year lease with Galliard Homes from 2020 at a cost of £155,508.

Appendices and supporting papers:

Appendix 1- LFC 0044- Car Parking for Union Street Staff

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 – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer

Andrew Nathan has drafted this report with input from the LFC and in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service

Tom Middleton has reviewed the documentation and is satisfied for it to be referred to the Deputy Mayor for Fire and Resilience for approval.

✓

Advice

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 13 August 2018.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. D. All

Date

13.8.18