

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2925

Title: Freehold sale of two private roads at Chequers Corner, Dagenham

Executive summary:

This Mayoral Decision (MD) seeks approval for GLA Land and Property Limited (GLAP) to progress the freehold sale of two private untarred roads (each a cul-de-sac) in South Dagenham, in east London, to the London Borough of Barking & Dagenham.

The disposal will enable GLAP to dispose of parcels of land that have no value and are currently a potential liability to it.

It will also enable the borough to secure and replan the area behind Chequers Corner to contribute towards the regeneration of the local area; improve pedestrian and cycle connectivity; and complement the borough's longer-term housing-led development plans.

Decision:

That the Mayor approves:

- i. the disposal by GLAP of a short private road located off the south side of New Road, Dagenham, for a nominal sum (£1 if demanded or a peppercorn)
- ii. the disposal by GLAP of a short private road located off the east side of Chequers Lane, Dagenham, for a nominal sum (£1 if demanded or a peppercorn)
- iii. net expenditure (from an existing Housing & Land budget) of up to £5,000 by GLAP on the cost of the disposal of these two non-operational roads.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

24/3/22

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

Decision required – supporting report

1. Introduction and background

- 1.1. GLA Land and Property Limited (GLAP) inherited two private roads and other land (no buildings) in the vicinity of Chequers Corner, South Dagenham, from the London Development Agency and the London Thames Gateway Development Corporation in 2012.
- 1.2. The two roads are located at the far eastern and far western ends of a development site (formerly called the 'Polar Ford site'), see site plan at Appendix 1. That development site was sold to the Secretary of State for Education (the SoS) in December 2020 pursuant to MD2272, with the land handed over at the end of 2020 to the SoS's agent, the Department for Education (DfE), for a planned new special educational needs school, which is currently being constructed. The two roads did not form part of that sale, as they were not deemed material to the development by the SoS.
- 1.3. The roads have not been used for access for a considerable length of time, and:
 - are unmetalled and in poor condition, constantly at risk of fly-tipping and unauthorised trespass
 - do not provide access to any other land retained/owned by GLAP
 - are not deemed strategic property
 - are subject to a right of access by third parties, namely by the London Borough of Barking & Dagenham (LBBD).
- 1.4. Consequently, the roads are closed with the entrances (in New Road and Chequers Lane) boarded up.
- 1.5. No purpose is served by GLAP retaining ownership of these roads. Their disposal to the LBBD will remove an estate management liability for GLAP who do not earn any income from retaining them. Their disposal will also build on the good relationship with the LBBD that is important to the success of GLAP's plans for the Mayor's London Sustainable Industries Park, a commercial park that lies approximately 1.3 miles to the south-west of the roads.

2. Objectives and expected outcomes

- 2.1 The central objective of this decision is to dispose of surplus redundant private infrastructure that has no value, and does not support GLAP's strategic land or development objectives.
- 2.2 The sale will be for a nominal sum because the land has been confirmed by external valuers as having no value, and the land area of the roads is insignificant, details as follows:
 - the total surface area of GLAP land (roads) is approximately 645 sqm
 - the total length of the roads, which are of varying widths, is circa 48.7 metres.
- 2.3 Retaining the land would lead to poorer outcomes, including:
 - the LBBD having to replan how it makes use of access that it does not own, and that without investment is not fit for purpose
 - GLAP having to reopen the roads to provide the shared access over them – access to which the LBBD is entitled, on account of its ownership of adjacent land

- GLAP being left with the responsibility for ongoing maintenance, cleansing and repair of these roads without a dedicated budget or recourse to external financial contributions from LBBD or any other party.
- 2.4 The disposal is consistent with GLAP's property asset strategy to use its land assets to support the Mayor's housing strategy; and support the local planning authority's priorities for the development of South Dagenham.
 - 2.5 The roads will be used to improve and promote cycle and pedestrian permeability, extending links further eastward and/or southward than presently exist. Through inward investment the LBBD expects to leverage, the roads will also help improve public space in the local area, but are not required for the delivery of their planned housing-led scheme.
 - 2.6 Both roads are desirable but are not critical to realising the LBBD's plans in the area – in effect, the LBBD has other options.
 - 2.7 The LBBD plans to use the roads for access, rather than creating a bigger or more valuable housing development opportunity per se.
 - 2.8 The borough will exercise its right of access over the roads in the event that the roads remain in GLAP's ownership, i.e. in effect after 31 March 2022.

3. Equality comments

- 3.1. Under section 149 of the Equality Act 2010, as public authorities, the Mayor and the GLA are subject to a public-sector equality duty and must have 'due regard' to the need to: eliminate unlawful discrimination, harassment and victimisation; advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and foster good relations between people who share a relevant protected characteristic and those who do not.
- 3.2. Protected characteristics under section 149 of the Equality Act are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status.
- 3.3. Throughout the decision-making process relating to the approvals being sought in this Decision Form to facilitate the property disposals due regard has been had to the 'three needs' outlined above. An evaluation has concluded that the sales have not identified any issues that adversely affect any groups with protected characteristics.

4. Other considerations

- 4.1. After the sale of the two private roads, GLAP will cease to be responsible for securing and insuring them. Further, GLAP will not be providing an ongoing after-sale service to the buyer of the land; and there will be no rent charge or other similar land charge in connection with the sale.
- 4.2. GLAP (the Seller) requires a 'clean break' once the disposal is complete, so that the LBBD (the Buyer) understands and accepts that it must take the roads (and GLAP's title to them) as it finds them. Also, on account of the nominal consideration being paid by the Buyer and the fact that GLAP has not used the roads, the Seller is offering no environmental warranties or assurances regarding the former use of the land or in terms of what lies under the land. Under the terms of the proposed sale, the Buyer must rely on their investigations in terms of: the existence of any historic rights of way; and the presence of any utility infrastructure (e.g. electricity cables, whether redundant or not).
- 4.3. In order to ensure that GLAP does not bear the risk of any abortive sale costs, the Buyer will pay GLAP's reasonable legal costs in the event that they withdraw from the sale.

- 4.4. Transferring ownership of the land to the LBBB will enable more cohesive spatial development to take place locally, conditional on planning consent, with other land outside of GLAP's ownership and control. This will help the LBBB to facilitate the development of affordable homes within a more inclusive neighbourhood.
- 4.5. There are no conflicts of interest to declare from any officer in the drafting or clearance of this decision form.

5. Financial comments

- 5.1. The decision is seeking approval for a freehold disposal of two roads near a development site (formerly the 'Polar Ford site') to LBBB. The total consideration for the sites will be £2. The sites are surplus redundant private infrastructure, with no income generating potential, and do not contribute to GLAP's strategic land or development objectives. External valuers have confirmed that the sites have no value.
- 5.2. GLAP is currently incurring costs to maintain and secure the roads which are not in use. Disposing the sites (roads) to the LBBB will terminate the expenditure incurred by GLAP; and the LBBB will be fully responsible for the roads.
- 5.3. The decision is also seeking approval for a budget of £5,000 to cover the disposal costs of the sites. However, if the sale is aborted, GLAP would recover the disposal costs incurred.

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 that he considers will further one or more of the principal purposes of the GLA as set out in section 30(2) which are:
- promoting economic development and wealth creation in Greater London
 - promoting social development in Greater London
 - 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 they have complied with the GLA's related statutory duties to:
- pay due regard to the principle that there should be equality of opportunity for all people
 - consider how the proposals will:
 - promote the improvement of health of persons in Greater London
 - promote the reduction of health inequalities between persons living in Greater London
 - contribute towards the achievement of sustainable development in the United Kingdom
 - contribute towards the mitigation of or adaptation to climate change in the United Kingdom
 - consult with appropriate bodies.
- 6.3 Sections 1 to 3 of this report indicate that the decision requested of the Mayor falls within the GLA's statutory powers.

7. Planned delivery approach and next steps

7.1. It is expected that the sale will be achieved in accordance with the following timetable:

Activity	Timeline
Drafting of an agreed form of property transfer contract	March 2022
Completion of Buyer's due diligence on the property	March 2022
Simultaneous exchange and sale completion of the property – target date	31 March 2022

Appendices and supporting papers:

Appendix 1 – Site Plan, not to scale, showing the Property (two roads) edged red.

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.

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under the 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:

Christopher Broster has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Rickardo Hyatt has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Tom Copley has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 21 March 2022

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date

D. Bone

22/3/22

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor.

Signature

Date

D. Bellamy

21/3/22