

# GREATER LONDON AUTHORITY

## REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2108

### Title: Former Webbs Industrial Site – property consultant appointment

#### Executive Summary

This Assistant Director's Decision seeks approval of expenditure of up to £50,000 to appoint property consultants through TfL's Framework to undertake the necessary due diligence and conduct a procurement exercise to complete a disposal of the former Webbs Industrial Site via the London Development Panel (LDP).

#### Decision:

The Head of Area (North East) approves expenditure of up to £50,000 to undertake due diligence and conduct a procurement exercise for the appointment of Development Partner through the London Development Panel.

#### 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:** Fiona Duncan

**Position:** Head of Area (North East)

**Signature:**

*Fiona Duncan*

**Date:**

*24 April 2017*

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

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

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

- 1.1 The Webbs Site is a former industrial site that comprises two vacant contiguous sites at 108 Blackhorse Lane and 47 Sutherland Road in Walthamstow, and is approximately 1.67 hectares in size. GLAP is marketing the site via the London Development Panel and to this end we are carrying out extensive due diligence to ensure that all information provided to bidders is accurate.
- 1.2 On the 17th March 2016, the Mayor approved (MD 1627), the proposal to acquire the former Webbs Industrial site within the Waltham Forest Housing Zone for redevelopment via the London Development Panel for mixed use residential scheme. The site was acquired by GLAP in July 2016 and will help kickstart the comprehensive regeneration of the Blackhorse Lane area.
- 1.3 The LDP procurement exercise for the appointment of a development partner was launched on the 12<sup>th</sup> April 2017 with the intention of appointing the successful bidder by the 8<sup>th</sup> November 2017.
- 1.4 Provision was made in the 2017/18 Land and Property budget to fund the necessary resources to secure a development partner to deliver the Webbs scheme, and this report seeks approval to commission a Property Consultant team to carry out the necessary due diligence during the procurement process to ensure GLAP's interests are protected and the best value is achieved for the scheme.
- 1.5 It is proposed that the Property Consultant team is appointed through TfL's standard Framework process, and is expected to take 1-2 weeks from start to finish, with the commission lasting until November 2017 when the contract to develop the site will be let.

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

- 2.1 To provide advice assist in the preparation of the Invitation to tender (ITT) that ensures that we supply comprehensive information to tendering developers in order to allow them to provide rounded and deliverable proposals for consideration.
- 2.2 To provide advice to the GLA so as to ensure that the developer selection process is robust, that GLA objectives are met, best value is achieved for the site and that the financial submissions are correctly assessed

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

- 3.1 The delivery of this development is aimed at implementing the Mayor's policies set out in the Mayor's London Housing Strategy. In January 2014 the GLA published an integrated impact assessment ("IIA"), including an equalities impact assessment, of that strategy. The policies related to increasing housing supply, of which this paper relates, were covered by the Integrated Impact Assessment (IIA) for the Further Alterations to the London Plan.
- 3.2 The IIA concluded that updating housing projections and targets would support the delivery of sufficient housing and may help stabilise housing prices, supporting equal opportunities throughout communities. Furthermore, the provision of housing, including maximising the delivery of affordable housing would be in line with other policies of the Plan (e.g. Policy 3.5), ensuring that the needs of different groups are taken into account in the housing design.

- 3.3 The delivery of new and additional homes within the Housing Zones will help to implement Objectives 1, 2, 3 and 4 of the Mayor's Equalities Framework "Equal Life Chances for All" (June 2014) through the creation of new affordable homes, housing products and well-designed housing schemes.

#### **4. Other considerations**

- 4.1 Should the disposal of the site not be committed under a signed development agreement by November 2017, the procurement process may be at risk of being abortive as the LDP will expire and no contracts should be let after that date.
- 4.2 Without this commercial input, GLAP is at significant risk of not being able to discharge its duties in relation to ensuring best value/consideration is achieved and the most appropriate and deliverable scheme is selected.

#### **5. Financial comments**

- 5.1 This decision requests approval to spend up-to £50,000 to undertake due diligence and conduct a procurement exercise for the appointment of Development Partner through the London Development Panel (LDP). This is the second phase following an acquisition of the site approved through MD1627. The above expenditure is available from Housing & Land Blackhorse Road Acquisitions (Phase 2) budget and will be expended in 2017/18 financial year.

#### **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 as set out in section 30(2) which 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

and, 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 and contribute towards the mitigation of or adaptation to climate change in the United Kingdom; and
- consult with appropriate bodies.

- 6.2 Sections 1 – 3 of this report indicate that the decision requested of the Assistant Director falls within the GLA's statutory powers.

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

- 7.1 The next steps following approval of this decision are summarised below. The timescales are based on estimates and are subject to negotiation with the successful property consultant.

<b>Activity</b>	<b>Timeline</b>
Procurement of a Property Consultant from TfL's Framework to carry out due diligence .	April 2017/18
Delivery Start Date	May 2017/18
Evaluation Period	Q2 2017/18
Mayoral Decision to appoint successful developer	Q3 2017/18

**Appendices and supporting papers:**

There are no appendices or supporting papers to this decision.

**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:

**Part 2 Confidentiality: No** 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:**

Michael Atkins has drafted this report in accordance with GLA procedures and confirms that the Finance and Legal teams have commented on this proposal as required, and this decision reflects their comments.

**Corporate Investment Board:**

The Corporate Investment Board reviewed this proposal on 24 April 2017.

**HEAD OF FINANCE AND GOVERNANCE:**

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

**Signature:** PP

*T Samerville*

**Date:**

*24/4/17*

