

# GREATER LONDON AUTHORITY

## REQUEST FOR MAYORAL DECISION – MD2823

### Title: The Crystal s278 Highway Works – Delegation to TfL

#### Executive Summary:

Mayoral Decision (MD) 2705 approved the relocation of the GLA from City Hall to The Crystal in the London Borough of Newham (LBN) and delegated authority to GLA officers to enter into agreements under section 106 (“s106”) of the Town and Country Planning Act 1990 (“TCPA 1990”) and section 278 (“s278”) of the Highways Act 1980. As part of the planning permission, granted in December 2020, the GLA is required to carry out necessary improvement works to LBN’s public highways under an agreement between the GLA and LBN under s278.

In order to expedite the carrying out of these works it is proposed that TfL, as the GLA Group body with experience in carrying out highway works, will appoint and manage the contractor on behalf of the GLA. For TfL to undertake this role it is necessary for the Mayor to delegate the performance of the GLA’s obligations to TfL and to delegate its general and subsidiary powers for that purpose. The GLA will pay the contractor’s fees and TfL’s reasonable costs for managing the project.

#### Decision:

That the Mayor:

1. authorises and delegates to TfL, to be exercisable on the GLA’s behalf, under section 38(1) and (2) of the GLA Act 1999:
  - a. the GLA’s functions and obligations under the agreement between the GLA and LBN under s278 of the Highways Act 1980 (“the s278 Agreement”) concerning the execution and completion of the Highways Works under that Agreement, and for connected purposes; and
  - b. the GLA’s functions under sections 30 and 34 of that Act for that purpose;as set out in Appendix 1 (“the Delegation”);
2. authorises TfL to enter into a call-off contract pursuant to TfL’s Surface Transport Infrastructure Construction (“STIC”) Framework to carry out the Highways Works on behalf of the GLA and to charge the GLA to pay TfL in respect of TfL’s internal costs and its liabilities to pay the contractor under the Delegation; and
3. authorises the GLA and TfL to enter into a form of letter setting out the terms for the payment by the GLA of TfL’s internal costs, payment of the TfL-appointed STIC Framework contractor and TfL’s other liabilities in acting on behalf of the GLA under or in connection with the s278 Agreement.

#### 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:

10/1/24

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

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

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

- 1.1. The GLA is relocating from its current offices at City Hall by Tower Bridge to occupy both The Crystal building in the Royal Docks and an additional floor at the London Fire Brigade's HQ at Union Street. This relocation and the associated £17.5m budget (including £3.5m contingency) were approved under Mayoral Decision (MD) 2705 in November 2020. This includes budget for highways works. As set out in that MD (paras 1.52 to 1.54) the move to The Crystal is likely to have beneficial economic, social and environmental impacts on that area of the Royal Docks consistent with the GLA's general powers of economic development and wealth creation, social development and environmental improvement.
- 1.2. Planning permission for change of use and various external works to The Crystal was granted by the London Borough of Newham (LBN) in December 2020 (application reference 20/02288/FUL). The GLA is the developer under the planning permission. A contractor has been appointed by the GLA to undertake the main fit out and construction works approved by the planning permission and required for the GLA's occupation. Strip out works commenced in April 2021.
- 1.3. Under the planning obligations agreement under section 106 (s106) of the Town and Country Planning Act 1990 ("TCPA 1990") related to the planning permission, certain works ("Highways Works") must be completed on the adopted highway prior to occupation of The Crystal, unless otherwise agreed in writing with LBN. The Highway Works include the provision of a vehicular rejection lane, relocation of the existing pedestrian crossing and other associated highways works. The Highway Works are to be undertaken by a contractor under an agreement between the GLA and LBN under section 278 of the Highways Act 1980 ("s278 Agreement"). The Mayor exercises the GLA's obligations and functions under the s278 Agreement on the GLA's behalf.
- 1.4. In order to expedite the carrying out of the necessary highway works under the s278 Agreement it is proposed that TfL, as the GLA body with experience in carrying out and managing highway works, will appoint and manage the contractor for the Highway Works on behalf of the GLA in order to discharge its obligations under the s278 Agreement. The road on which the works are to be carried out is a "Borough Road" for which LBN, not TfL, is both the statutory highway authority and traffic authority. Therefore, in order for TfL to undertake this role it is necessary for the Mayor to formally delegate the performance of the GLA's obligations under the s278 Agreement to TfL under section 38 (s38) of the Greater London Authority (GLA) Act 1999 (as amended). The Highways Works form part and parcel of the delegation of the works under the s278 Agreement. The terms of the proposed "Delegation" are set out in Appendix 1. The GLA will pay TfL's reasonable costs for managing the contractor and the contractor's fees. The proposed Delegation will permit the GLA and TfL to agree the terms and documentation of their respective roles and payment terms regarding the carrying out of the Highway Works.

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

- 2.1. The GLA and TfL Procurement (as the shared procurement service for the GLA) have discussed and agreed that the most suitable procurement route (from cost, time and quality perspectives) to deliver the Highways Works pursuant to the s278 Agreement between the GLA and LBN, is for TfL to instruct a call-off contract under the Surface Transport Infrastructure Construction (STIC) Framework. TfL's STIC Framework allows the delivery of infrastructure and capital projects on and around TfL's London Road Network, and for the renewal or enhancement of assets including bridges, tunnels and other highway structures.
- 2.2. The GLA and TfL have agreed the following:

- TfL will enter into a call-off contract with a suitable STIC Framework contractor in accordance with the STIC Framework call-off process and on the terms of the Framework, and will manage the delivery of the Highways Works on behalf of the GLA;
  - TfL will report to GLA on the progress of the delivery of the Highway Works; and
  - the GLA will pay TfL all reasonable administrative costs of managing the contract and all contractor's costs due and payable under and in accordance with the terms of the call-off contract. TfL will charge GLA for its activities under the delegation with the terms for such payment agreed in a letter.
- 2.3. TfL's early engagement with the suitable STIC Framework contractor to provide the assessment of the cost and timescales for delivering the Highways Works has indicated that these works are capable of being delivered within the required timescales and budget.

### **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 and those who do not.
- 3.2. The proposed highway works are not expected to have any substantial impact on those with protected characteristics. Appropriate measures have been included in the highways design to take account of those who are visually- or mobility-impaired.

### **4. Other considerations**

- 4.1. Key risks associated with this approval are as follows:
- Programme: As described, works to the public highway must be undertaken prior to occupation of the building unless otherwise agreed with LBN. Appointing a contractor to deliver the Highway Works expeditiously is therefore on the critical path to the successful delivery of the relocation of City Hall. Furthermore, efficient and effective management of the contractor is key to ensuring works are completed on time. This will be delivered by TfL given their experience in the delivery of highways works;
  - Cost: The relocation of City Hall is subject to a budget as approved under MD2705. This includes an identified budget for highways works based on professional QS advice. Early engagement with STIC Framework contractors suggests that these works will be deliverable within budget when taking account of the STIC Framework rates; and
  - Quality: It is important that the works are undertaken to a high quality given that these works will sit at the entrance to the home of London Government. This will be mitigated through TfL's experience in administering the works and the contractor involved, as well as a clear technical design to deliver.
- 4.2. This project will support the implementation of a number of the Mayor's policies such as the London Plan, Healthy Streets Approach, the Mayor's Transport Strategy and is aligned with the Mayor's Equalities Framework to consider the requirements of relevant equalities groups.
- 4.3. Under the proposed Delegation (set out in Appendix 1) the Mayor authorises and delegates to TfL: (1) the performance of the GLA's functions and obligations under the s278 Agreement concerning the

execution and completion of the Highways Works under that Agreement, and for connected purposes; and (2) the GLA's functions under sections 30 and 34 of that Act for that purpose. The Delegation is subject to standard conditions.

- 4.4. Consultation has taken place through the planning application on the principle of these works through the planning permission. LBN and TfL have been consulted extensively in the development of Highway Works. TfL has been consulted on this Mayoral Decision.
- 4.5. There are no conflicts of interest to declare for the officers involved in the drafting or clearance of this decision form.

## **5. Financial comments**

- 5.1. The decision is seeking approval for the GLA to delegate its obligations under the s278 Agreement to TfL to manage the delivery of highway works at The Crystal, which would give TfL authority to enter a call-off contract with the contractor.
- 5.2. As part of the planning permission approved by LBN, for the GLA to occupy The Crystal, the GLA has an obligation under section 278 of the Highways Act 1980 to complete necessary highway works.
- 5.3. A budget for the cost of reallocating City Hall to The Crystal was approved in MD2705, the budget for the highway works on the borough's road is included within this approved budget.

## **6. Legal comments**

- 6.1. The road on which the Highways Works are to take place is a Borough Road within the London Borough of Newham for which that council is the statutory highway and traffic authority. The GLA will be the party to the s278 Agreement and has functions and obligations under that agreement concerning the execution and completion of the Highways Works. TfL is not the highway or traffic authority for the road and so is unable to undertake the Highways Works in any statutory capacity. Therefore, it is proposed that the Mayor authorises TfL to undertake the GLA's functions under the s278 Agreement, including project management of the Highways Works and the appointment of a highways contractor by means of a delegation.
- 6.2. Section 30(1) of the 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. The principal purposes, as set out in section 30(2), are:
  - (a) promoting economic development and wealth creation in Greater London;
  - (b) promoting social development in Greater London; and
  - (c) promoting the improvement of the environment in Greater London.
- 6.3. Section 34(1) of the GLA Act allows the Mayor to do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of any of the GLA's functions (including those under s30).
- 6.4. Under s38 of the GLA Act 1999 any function exercisable on behalf of the GLA by the Mayor shall also be exercisable on behalf of the GLA ("delegated") by any of the bodies or persons specified in subsection (2) below, if or to the extent that the Mayor so authorises, whether generally or specially, and subject to any conditions imposed by the Mayor. TfL is one of the bodies specified in subsection (2). The exercise of the power to delegate functions under s38 is a matter reserved to the Mayor under the Mayoral Decision Making in the GLA framework.
- 6.5. It is proposed that the Mayor delegates to TfL:
  - the performance of the GLA's functions and obligations under the s278; and

- the GLA's general powers of economic development and wealth creation, social development and environmental improvement under section 30 (s30) of the GLA Act 1999 and its subsidiary powers under s34, in connection with its functions under the s278 Agreement.

6.6. The delegation of the GLA's functions and obligations under the s278 Agreement and under s30 and 34 functions is considered appropriate and sufficient to enable TfL to undertake the role and activities required to secure the execution of the Highways Works, which in turn will facilitate the GLA's occupation of The Crystal with consequent benefits for the GLA and the Royal Docks. Section 38(7) of the GLA Act gives TfL the power to exercise any functions delegated to it by the Mayor pursuant to s38, whether or not TfL would otherwise have had that power and irrespective of the nature of the function.

6.7. The Delegation is made subject to standard terms and conditions set out in Appendix 1. The condition set out in sub-para (4) concerning co-operation with the GLA Monitoring Officer is a requirement of section 73(6) of the GLA Act 1999.

## 7. Planned delivery approach and next steps

7.1. Key milestones associated with the delivery of these highways works will be confirmed on appointment of a contractor. However, current dates drawn from the accepted programme are as follows.

Activity	Timeline
Appointment of contractor	14 June 2021
Start on site	28 June 2021
Completion of works	27 August 2021
Certificate of Substantial Completion issued	24 September 2021

### Appendices and supporting papers:

Appendix 1: Mayoral Delegation to TfL of Highways Works concerning the relocation to The Crystal



**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 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:**

Steve Sheasby has drafted this report in accordance with GLA procedures and confirms the following:

✓

**Sponsoring Director:**

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

✓

**Mayoral Adviser:**

David Bellamy 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 1 June 2021.

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**

**Date**

*D. Gane*

2 June 2021

**CHIEF OF STAFF:**

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

**Signature**

**Date**

*D. Bellamy*

2 June 2021