

PART 2 – CONFIDENTIAL FACTS AND ADVICE

ADD2289

Title: **Greenwich Square Phase 2**

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 suitable for publication until the stated date because:

This is not for publication due to commercially sensitive information, which should be treated as confidential. Disclosure would be prejudicial to the commercial interests of GLA.

Date at which Part 2 will cease to be sensitive or when this information should be reviewed with a view to publication: September 2020

Legal adviser recommendation on the grounds for not publishing information at this time:

In the event of any request for access to the information contained in this document under section 1 of the Freedom of Information Act 2000 ("the Act"), it is considered that access can be denied on the basis that the disclosure of such information would prejudice the commercial interests of GLA by disclosing the GLA's projected return for the site and potentially impact future negotiations with development partners and therefore is covered by the exemption under section 43 of the Act. The information could also be viewed as information provided in confidence, which is exempt under section 41.

Section 1 of the Act creates the general right of access, which provides that any person making a request for information to a public authority is entitled:

- to be informed in writing by the public authority whether it holds information of the description specified in the request; and
- if that is the case, to have that information communicated to him/her.

Part II of the Act contains a number of exemptions from disclosure for certain classes of information. In particular, section 41 covers information given in confidence and section 43 of the Act which provides that information is exempt information if its disclosure under the Act would, or would be likely to prejudice the commercial interests of any person (including the public authority holding it).

The section 43 exemptions is a qualified exemption and its use is, therefore, subject to a public interest assessment.

Public Interest Assessment

At present, on balance, it is considered that the public interest is best served if the information is not disclosed at this point. Disclosure by the GLA would be likely to have a detrimental effect on its commercial interests. It is considered that this outweighs the general public interest in disclosure for reasons of transparency of decision making.

Legal Adviser - I make the above recommendations that this information is not suitable for publication at this time.

Name: TFL Legal

Date: 16/10/2018

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

Decision:

That the Assistant Director of Strategic Projects & Property approves:

1. The extension of the Development Longstop Date & the Payment End Date within the Development Agreement between GLA Land & Property & MACE Developments (Greenwich) Limited as set out below.

Extension of Longstop and Payment Dates

Due to issues with challenging project viability, Mace sought planning permission via a s73 application to increase the number of units being delivered in Phase 2. The Royal Borough of Greenwich approved this application on 5th April 2017.

The determination & negotiation of planning and subsequent conditions took longer than anticipated, which has resulted in the delivery of the project being delayed. This delay did however result in 41 additional new homes for sale and Phase 2 is now under construction. This result is that the GLA Land & Property's land receipt will be delayed, but the project can be completed.

This paper requests permission to extend the projects Longstop Date from 14 September 2020 to 31 March 2022 and Payment End Date from 30 March 2019 to 31 March 2021 to allow for the delivery timescales of Phase 2.

This will result in the capital receipt for the land being deferred by 2 years (31 March 2021 at the latest). Currently the amount anticipated is the minimum land value (£10,804,343). At the end of the project this will be revisited to assess if the GLA is due any additional payment. At the current time this is looking unlikely due to increased costs. There is no downside adjustment mechanism, so in effect this is a guaranteed minimum. This delay has already been reprofiled in OPS to March 2021.

This approval does not seek an increase or decrease of budgets, but does seek approval for the delay in payment of a land payment capital receipt.

Financial comments:

The decision is seeking approval for an extension on the project long stop date and the final payment for the site (Greenwich Square). The delay in delivery resulted from the developer seeking a revision to the planning permission to increase the number of units in phase 2 of the development. The date for GLAP's final receipt of £10,804,343 for the land sale, has now slipped to 2022, which is 2 years later than originally expected.