

## REQUEST FOR DIRECTOR DECISION- DD2524

### North Woolwich Road, Royal Docks Expenditure

#### Executive Summary:

In August 2018, Mayoral Decision 2338 approved expenditure of up to £212.5m for the Royal Docks Enterprise Zone (EZ) Delivery Plan to deliver an integrated and catalytic package of projects that are identified under the five strategic objectives of Place, Connectivity, Economy, Activation and Promotion. DD2297 and DD2464 approved investment in a series of projects, including a total of £1.46m towards preparatory design, site investigations and interim measures for the North Woolwich Road improvement scheme in partnership with the London Borough of Newham.

This approval seeks investment of £3.5m for the next stage of technical and design work required for the North Woolwich Road improvement scheme as well as to support accelerated delivery of improvements to connectivity in response to the relocation of City Hall.

In accordance with the London Economic Action Partnership (LEAP) governance and funding request responsibilities for all Royal Docks EZ projects, the expenditure set out in this Decision request will be subject to consideration and endorsement by the Royal Docks EZ Programme Board on the 3<sup>rd</sup> March 2021.

#### Decision:

The Executive Director of Housing and Land approves, subject to endorsement by the Royal Docks Enterprise Zone Programme Board:

1. Expenditure of up to £3.5m on the North Woolwich Road improvement scheme; and,
2. For GLA to enter into a funding agreement with London Borough of Newham.

#### AUTHORISING DIRECTOR

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:** Rickardo Hyatt

**Position:** Executive Director Housing and Land

**Signature:**



**Date:**

10 March 2021

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

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

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

- 1.1 Mayoral Decision 2338 approved expenditure of up to £212.5m for the Royal Docks Enterprise Zone Delivery Plan to deliver an integrated and catalytic package of projects that are identified under the five strategic objectives of Place, Connectivity, Economy, Activation and Promotion. This funding consists of a £155m capital and £57.5m revenue split to fund projects for the revised ten-year delivery period from 2018/19 to 2027/28. DD2297 and DD2464 approved investment in a series of projects, including £1.46m towards the North Woolwich Road improvement scheme.
- 1.2 The North Woolwich Road improvement scheme is a strategic project that sits under the 'Connectivity' theme of the Royal Docks delivery plan. The objective of the Connectivity theme is to improve accessibility and support movement through the Royal Docks and to wider London.
- 1.3 The North Woolwich Road improvement scheme will deliver physical improvements to a critical corridor through the southern part of the Royal Docks. The route runs from Canning Town to City Airport and was constructed to serve the historic industrial uses of the Royal Docks, however the character of the area is rapidly changing, and the road layout is no longer suitable. In addition to existing business and residential communities, there are three emerging local centres along the route (Pontoon Dock, West Silvertown and Thames Wharf) and a significant number of commercial, industrial and residential land use allocations.
- 1.4 To support enhanced regeneration, placemaking and sustainability, North Woolwich Road must be redesigned to ensure that the route reflects a new role, rebalancing it from a major highway to a route that supports multi-modal travel. These changes need to be achieved whilst ensuring that the corridor remains suitable for industrial businesses and future development.
- 1.5 The project is being delivered and managed in partnership with London Borough of Newham's Highway team, who are committing Section 106 income to the project. To date, the Enterprise Zone funding, along with contributions from London Borough of Newham, has supported the development of concept designs, stakeholder consultation, transport modelling, technical surveys and the delivery of interim safety measures along the highway.
- 1.6 In line with the staged funding approach, the next tranche of funding for the project is now required, where investment will be used for the following activities;
  - Detailed highways design – undertaking the detailed design in preparation for approvals and tendering; c£200,000 (revenue);
  - Utility diversion works – moving key utilities to their new position to enable the main works to start; c£2,000,000 (capital);
  - Pre-construction work – establishing works compounds, detailed phasing and construction plans; c£200,000 (capital);
  - Traffic signal equipment – purchasing the equipment for the new layout and design; c£600,000 (capital); and
  - Interim measures –additional cycle measures, landscaping, signage and lighting will be implemented to provide improvements in the short term. These works will improve key connections to City Hall; c£500,000 (capital).
- 1.7 Some of these activities will require the GLA to enter into a funding agreement with London Borough of Newham. The funding agreement will incorporate outputs and payment milestones, to ensure that spend is able to be closely monitored.

- 1.8 The overall budget in the Royal Docks Enterprise Zone Delivery Plan is c£49m for the completion of the whole scheme. Prior to major works commencing and further capital funding being sought, a full and detailed cost plan will be produced.
- 1.9 In advance of all works being completed, the Royal Docks Team is working with London Borough of Newham to identify further interim measures that can be delivered to improve walking and cycling along the route which support and enhance pedestrian and cyclist safety. Interim measures which improve connections to the new City Hall will be prioritised and accelerated.

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

- 2.1 The Royal Docks Enterprise Zone offers a regeneration opportunity on a global scale, projected to generate 35,000 jobs, 4,000 homes and attract over £5bn in inward investment by 2038. The North Woolwich Road improvement scheme is a strategic priority within the Royal Docks Delivery Plan and is considered key to achieving the long term economic and social value of the area. It will do this by:
  - (i) bringing a cohesive route through the Royal Docks, linking together distinct neighbourhoods;
  - (ii) creating an attractive public realm that improves accessibility for multiple modes of travel; and
  - (iii) protecting and enhancing accessibility to key residential, commercial and industrial development sites across the Royal Docks, helping to enhance regeneration outcomes.
- 2.2 Moreover, acceleration of investment in the key routes to City Hall will improve the journey of visitors and staff to the building through improved safety, legibility and an enhanced public realm. It will also ensure that investment is undertaken in a coordinated manner, thereby managing public money effectively and reducing potentially abortive work. Furthermore, these enhancements will help to improve perception of the Royal Docks to a large number of visitors and at a key gateway location, helping to unlock further investment and act as a catalyst to drive forward further regeneration activity.

## **3. Equality Comments**

- 3.1 Under section 149 of the Equality Act 2010 (the “Equality Act”), as a public authority, the GLA must have ‘due regard’ to the need to eliminate unlawful discrimination, harassment and victimisation, and to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not. Protected characteristics under the Equality Act comprise of age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation and marriage or civil partnership status.
- 3.2 When considering the needs of the existing community and those that will be affected by the proposed highway scheme outlined in this paper, any activity will look to minimise disadvantages to all protected characteristic groups within society. This decision is therefore not expected to have any negative impact on persons with a protected characteristic under the Equality Act.

## **4. Other Considerations**

### *Risk and issues*

- 4.1 A key risk for the North Woolwich Road scheme is ensuring delivery within budget and programme. Considerable work has been done by London Borough of Newham to ensure that the cost estimates are realistic and appropriate contingencies have been applied. It is anticipated that the funding secured in this decision will have been spent by April 2022. This is a realistic programme based on project experience to date and advice from the professional team.

- 4.2 Given the scale of the improvement scheme, there is a risk that the design will not be effectively co-ordinated with the bordering developments and projects, causing redundant works or misalignment. This is being mitigated by ensuring close consultation with stakeholders throughout the design process.

*Links to Mayoral strategies*

- 4.3 The North Woolwich Road improvement scheme reinforces the objectives of the Mayor's Transport Strategy and the Healthy Streets agenda by providing an attractive and safer environment which encourages the use of public transport, walking and cycling. The scheme also meets the Mayor of London's Good Growth agenda by creating a corridor which better connects the southern part of the Royal Docks, facilitating movement between residential communities, local centres and places of employment.

*Declaration of interest*

- 4.4 There are no conflicts of interest to note for any of those involved in the drafting or clearance of the decision.

## **5. Finance Comments**

- 5.1 The Decision is seeking approval for a budget of £3.5m to spend on the North Woolwich Road improvement scheme, in partnership with LB Newham. The project budget of £3.5m will allocate £3.3m to Capital expenditure and £200k will be allocated to Revenue expenditure.
- 5.2 The capital expenditure will be funded from the capital funds allocated to the Enterprise Zone delivery plan. This project is part of a larger programme that will transform the Royal Docks and accelerate the delivery of Enterprise Zone commercial space. The project is ongoing and is expected to be completed in 2024.
- 5.3 The revenue expenditure of £200k will be funded from the £212.5 million approved delivery plan budget confirmed in MD2338.

## **6. Legal Comments**

- 6.1 The proposed grant funding is being provided to London Borough of Newham to deliver open access infrastructure in fulfilment of delivering public facilities. On this basis it is considered the grant funding does not amount to a subsidy to the Borough.
- 6.2 A further funding agreement will be required to facilitate the payment to London Borough of Newham broadly on the same terms as the existing agreement and will include provisions to ensure appropriate procurement processes are undertaken by London Borough of Newham for the delivery of the interventions for which the grant funding is provided.
- 6.3 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

- 6.4 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.
- 6.5 Sections 1 - 3 of this report indicate that the decision requested from the Executive Director of Housing and Land falls within the GLA's statutory powers.

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

- 7.1 The indicative programme for the North Woolwich Rd improvement scheme is set out below:

<b>Activity</b>	<b>Timeline</b>
Royal Docks Enterprise Zone Programme Board endorsement	Mar 2021
Delivery of further interim improvements to connectivity commence	April 2021
Funding Agreement entered into with London Borough of Newham	May 2021
Progression of design work	Ongoing
Construction of first phase commences	Sept 2021
Ongoing design and delivery	Sept 2021
Completion of whole scheme works (indicative)	2024

### **Appendices and supporting papers:**

None.

**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**

**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:**

Christine Wood has drafted this report in accordance with GLA procedures and confirms that:

✓

**Assistant Director/Head of Service:**

Simon Powell has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

**Financial and Legal advice:**

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

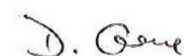
**Corporate Investment Board:**

The Corporate Investment Board reviewed this proposal on 22 February 2021.

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**



**Date**

10 March 2021